

Original Application

Christian Care Center of Medina

CN1802-0016

CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF MEDINA

**The Relocation and Replacement of a
66 Bed Skilled Nursing Facility**

Gibson County, Tennessee

February 9, 2018

Contact Person:

**Jerry W. Taylor, Esq.
Burr & Forman, LLP
222 Second Avenue South, Suite 2000
Nashville, Tennessee 37201
615-724-3247**



State of Tennessee

Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. Name of Facility, Agency, or Institution

Christian Care Center of Medina, f/k/a Milan Health Care Center
Name

Unimproved Lot on Highway 45 East and Sonic Drive
Street or Route

Gibson
County

Medina
City

TN
State

38355
Zip Code

Website address: None

*Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.*

2. Contact Person Available for Responses to Questions

Jerry W. Taylor
Name

Attorney
Title

Burr & Forman, LLP
Company Name

jtaylor@burr.com
Email address

222 Second Avenue South, Suite 2000
Street or Route

Nashville
City

TN
State

37201
Zip Code

Attorney
Association with Owner

615-724-3247
Phone Number

615-724-3248
Fax Number

NOTE: **Section A** is intended to give the applicant an opportunity to describe the project. **Section B** addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, Contribution to the Orderly Development of Health Care, and the Quality Measures.

Please answer all questions on 8½" X 11" white paper, clearly typed and spaced, single or double-sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate "N/A" (not applicable). **Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment A.1, A.2, etc. The last page of the application should be a completed signed and notarized affidavit.**

3. SECTION A: EXECUTIVE SUMMARY

A. Overview

Please provide an overview not to exceed three pages in total explaining each numbered point.

- 1) Description – Address the establishment of a health care institution, initiation of health services, bed complement changes, and/or how this project relates to any other outstanding but unimplemented certificates of need held by the applicant;**

Christian Care Center of Medina, f/k/a Milan Health Care Center ("Milan HCC") is a 66 bed skilled nursing facility in Milan, Gibson County. Effective July 21, 2017 Milan HCC was acquired by Christian Care Center of Milan, LLC. The name of the LLC was changed to Christian Care Center of Medina, LLC effective January 17, 2018. For convenience, the applicant will be referred to as "CCC of Medina" throughout this application. At the time of the acquisition, Milan HCC was financially distressed. Operations at the facility have been temporarily voluntarily suspended and the license has been placed in Inactive Status by the Board for Licensing Health Care Facilities.

CCC of Medina seeks authorization to relocate the nursing home and construct a replacement facility at another site in Gibson County. No new services will be initiated and no new beds are sought. The replacement facility will resume services as a 66 bed skilled nursing facility, with all beds being dually certified for TennCare and Medicare, as they were prior to the voluntary suspension of services.

The site for the proposed replacement facility is an undeveloped 6.09 acre tract at the intersection of State Highway 45E and Sonic Drive in Medina, Gibson County, approximately 10 miles from the current site of the facility.

- 2) Ownership structure;**

The applicant, Christian Care Center of Medina, LLC is a newly formed single member Tennessee limited liability company. Its sole member is J. R. "Randy" Lewis.

CCC of Medina will enter into a management consulting agreement with Care Centers Management, Inc. The sole shareholder of Care Centers Management, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

The facility will be built and owned by Gibson County Real Estate Investors, LLC and leased to the applicant. The sole member of Gibson County Real Estate Investors, LLC is J. R. "Randy" Lewis.

- 3) Service area;**

The service area is Gibson County, Tennessee where CCC of Medina will be located. It is projected that a majority of the patients of CCC of Medina will be residents of Gibson County.

- 4) Existing similar service providers;**

There are 8 nursing homes operating in the service area. The average county-wide occupancy rate was 74% in 2016.

5) Project cost;

The total estimated project cost not including the filing fee is \$10,114,157. The largest single cost component is land acquisition and construction costs totaling \$7,959,425 (including contingency). The next largest costs are for furniture, fixtures and equipment (\$959,122) and interim financing (\$280,000).

6) Funding;

Funding for construction is available through a commercial mortgage loan. Working capital is available through a Line of Credit from a commercial lender.

7) Financial Feasibility including when the proposal will realize a positive financial margin; and

The project is financially feasible. As reflected on the Projected Data Chart, Year 1 is expected to yield an operating loss, but the project will be profitable in Year 2 and thereafter.

8) Staffing.

The proposed staffing plan calls for approximately 39 FTE direct patient care positions and 39 FTE non-direct patient care positions. The staffing pattern is set forth in more detail in the Contribution to Orderly Development section of this application.

Care Centers Management Consulting and its affiliates own and/or operate 7 SNFs in Tennessee and is very experienced in recruiting, hiring, and retaining the required staffing.

B. Rationale for Approval

A certificate of need can only be granted when a project is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care in the service area. This section should provide rationale for each criterion using the data and information points provided in Section B. of this application. Please summarize in one page or less each of the criteria:

1) Need;

This application seeks no additional licensed beds; it proposes only a relocation of existing beds and a replacement facility. The need for the relocation and replacement does not stem from a lack of nursing home bed capacity in Gibson County. Rather, there is a need for a *relocation* of the *existing beds*, and a replacement facility.

The existing licensed beds of CCC of Medina are a needed community asset. In 2015 (the latest year for which data is publicly available for this facility), Milan HCC provided 19,126 patient days of care. It is believed the utilization would have been significantly greater with

a new up to date facility. The relocation and replacement facility will allow the existing 66 licensed beds to continue to serve the area.

There is especially a need for more private beds and for a new modernized SNF in Gibson County. Currently, only 59 of the 828 licensed beds in Gibson County are private beds. The replacement facility will have 40 private beds and 26 semi-private beds. This replacement facility will increase the number of private beds in Gibson county by nearly 68%.

Furthermore, the existing SNF facilities are relatively old. The average age of the existing SNFs in Gibson County is 31 years. Please see the table below:

Facility	Total Beds	Private Beds	Semi-Private Beds *	% Private	Year Built	Major Reno/Year	Age Orig. Building
Bailey Park Community Living Center	50	10	40	25.0%	2008	No	10 yrs.
Douglas Nursing Home	72	1	71	1.4%	1961	No	57 yrs.
Dyer Nursing and Rehabilitation Center	120	0	120	0.0%	1996	Yes - 2014	22 yrs.
Humboldt Healthcare and Rehab Center	89	7	82	8.5%	1990	No	28 yrs.
Humboldt Nursing and Rehabilitation Center	120	0	120	0.0%	1990	No	28 yrs.
Milan Health Care Center	66	6	60	10.0%	1963	No	55 yrs.
NHC HealthCare, Milan	117	11	106	10.4%	N/R	Yes - 1997	11 yrs.
Tennessee State Veterans' Home	140	18	122	14.8%	1995	No	23 yrs.
Trenton Center	54	6	48	12.5%	1973	No	45 yrs.
COUNTY TOTAL/AVERAGE	828	59	769	7.7%			31 yrs.

* Semi-private includes Ward beds

Source: 2016 Joint Annual Reports except Bailey Park and Milan HCC, 2015

The relocation and replacement facility are needed in order for CCC of Medina to provide a nice new facility for its patients, and in order to significantly increase the number of private beds in Gibson County.

The proposed relocation from Milan to Medina, both of which towns are within Gibson County, also accomplishes a needed redistribution of beds within Gibson County. Medina is clearly the area of greatest population growth in Gibson County. Its population grew by 38.6% between 2010 and 2016, yet there is not a single SNF in the Medina area. Milan, on the other hand, is projected to experience a slight population decrease between 2010 and 2016. There are currently 3 SNFs located in the Milan area, including the former Milan HCC.

2) Economic Feasibility;

The project is economically feasible. As reflected on the Projected Data Chart, Year 1 is expected to yield an operating loss, but the project will be profitable in Year 2 and thereafter.

No more cost effective or efficient options were identified. The current building is 55 years old, and is deficient in many areas. In addition, the facility is in a leased building, making the option of renovating the existing facility impractical and not feasible. Finally, there are

overwhelming benefits to relocating the facility to Medina as discussed elsewhere in this application.

3) Appropriate Quality Standards; and

Care Centers Management Consulting, Inc. and its affiliates are experienced owners and operators of long term care facilities, owning and/or operating seven skilled nursing facilities in Tennessee, and one in Kentucky. Care Centers' affiliated SNFs average 2.2 annual survey deficiencies.

All of Care Center's affiliated facilities submit themselves to Joint Commission scrutiny and are Joint Commission accredited, or are waiting on final accreditation. CCC of Medina will also submit to and be accredited by the Joint Commission. CCC of Medina will continue to be licensed by the Tennessee Board for Licensing Health Care Facilities, and will be TennCare and Medicare certified. Upon the voluntary suspension of operations, Milan HCC's Medicare provider number was voluntarily terminated, but certification and participation in Medicare will be resumed upon the opening of the replacement facility. CCC of Medina will maintain compliance with and remain in good standing with all licensing and accrediting authorities.

The applicant will maintain and comply with its Quality Assurance and Performance Improvement Program. In the interest of brevity a copy of the entire program manual is not attached, but the Table of Contents of the QAPI is attached as Attachment Section A, B (3).

4) Orderly Development to adequate and effective health care.

As addressed briefly above and in more detail elsewhere in this application, the 66 licensed beds are needed in the service area. The operation of these beds has been temporarily voluntarily suspended due to the need for a replacement facility. If this application is approved, the beds will be placed back into service in a new up-to-date facility with more private rooms and a much better patient care environment.

The proposed relocation from Milan to Medina, both within Gibson County, will accomplish a needed redistribution of beds within Gibson County. Medina is clearly the area of greatest population growth in Gibson County. Its population grew by 38.6% between 2010 and 2016, yet there is not a single SNF in the Medina area. Milan, on the other hand, is projected to experience a slight population decrease between 2010 and 2016. There are currently 3 SNFs located in the Milan area, including the former Milan HCC. The relocation will better serve patients in Gibson County by locating beds in the area of greatest population growth, and by more evenly distributing beds geographically throughout Gibson County.

C. Consent Calendar Justification

If Consent Calendar is requested, please provide the rationale for an expedited review.

A request for Consent Calendar must be in the form of a written communication to the Agency's Executive Director at the time the application is filed.

N/A, Consent Calendar consideration is not requested.

4. SECTION A: PROJECT DETAILS

Owner of the Facility, Agency or Institution

A. Christian Care Center of Medina, LLC 423-975-5455
Name Phone Number
2020 Northpark Drive, Suite 2D Washington
Street or Route County
Johnson City TN 37604
City State Zip Code

Christian Care Center of Medina, LLC is a newly formed single member Tennessee limited liability company. Its sole member is J. R. "Randy" Lewis. Organizational documentation is attached as Attachment Section A-4, A.

B. Type of Ownership or Control (Check One)

A. Sole Proprietorship	_____	F. Government (State of TN or Political Subdivision)	_____
B. Partnership	_____	G. Joint Venture	_____
C. Limited Partnership	_____	H. Limited Liability Company	<u>X</u>
D. Corporation (For Profit)	_____	I. Other (Specify) _____	_____
E. Corporation (Not-for-Profit)	_____		

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State's web-site at <https://tnbear.tn.gov/ECommerce/FilingSearch.aspx>. Attachment Section A-4A.

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

Christian Care Center of Medina, LLC is a newly formed single member Tennessee limited liability company. Its sole member is J. R. "Randy" Lewis.

The facility will be built and owned by Gibson County Real Estate Investors, LLC and leased to the applicant. The sole member of Gibson County Real Estate Investors, LLC is J. R. "Randy" Lewis.

An ownership chart is attached as Attachment Section A-4, B.

5. Name of Management/Operating Entity (If Applicable)

Care Centers Management Consulting, Inc.
Name
2020 Northpark Drive, Suite 2D Gibson
Street or Route County
Johnson City TN 37604
City State Zip Code
Website address: None

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract. Attachment Section A-5.

CCC of Medina will enter into a management consulting agreement with Care Centers Management Consulting, Inc. The sole shareholder of Care Centers Management Consulting, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

A copy of a draft management consulting agreement is attached as Attachment Section A-5.

6A. Legal Interest in the Site of the Institution (Check One)

- | | | | |
|-----------------------------|----------|--------------------|-------|
| A. Ownership | _____ | D. Option to Lease | _____ |
| B. Option to Purchase | _____ | E. Other (Specify) | _____ |
| C. Lease of <u>10</u> Years | <u>X</u> | | |

Check appropriate line above: For applicants or applicant's parent company/owner that currently own the building/land for the project location, attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements must include anticipated purchase price. Lease/Option to Lease Agreements must include the actual/anticipated term of the agreement and actual/anticipated lease expense. The legal interests described herein must be valid on the date of the Agency's consideration of the certificate of need application.

The facility will be built and owned by Gibson County Real Estate Investors, LLC and leased to the applicant. The sole member of Gibson County Real Estate Investors, LLC is J. R. Randy" Lewis.

A copy of the Real Estate Purchase Agreement with Gibson County Real Estate Investors, LLC as the buyer and a copy of the lease between Gibson County Real Estate Investors, LLC and Christian Care Center of Medina, LLC (f/k/a Christian Care Center of Milan, LLC) are attached as Attachment Section A-6, A. Also included in the attachment is a copy of the deed vesting title in the seller.

6B. Attach a copy of the site's plot plan, floor plan, and if applicable, public transportation route to and from the site on an 8 1/2" x 11" sheet of white paper, single or double-sided. DO NOT SUBMIT BLUEPRINTS. Simple line drawings should be submitted and need not be drawn to scale.

1) Plot Plan must include:

- a. Size of site (*in acres*);
- b. Location of structure on the site;
- c. Location of the proposed construction/renovation; and
- d. Names of streets, roads or highway that cross or border the site.

A plot plan is attached as Attachment A-6 B, 1.

- 2) Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. On an 8 ½ by 11 sheet of paper or as many as necessary to illustrate the floor plan.**

A floor plan is attached as Attachment A-6 B, 2.

- 3) Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.**

The site for the proposed replacement facility is at the intersection of Highway 45E and Sonic Drive in or near Medina in Gibson County. Highway 45E is a four lane divided highway, major thoroughfare in Gibson County with excellent accessibility. There is no public transportation currently available in the area.

7. Type of Institution (Check as appropriate--more than one response may apply)

- | | |
|--|--|
| A. Hospital (Specify) _____ | H Nursing Home _____ X |
| B. Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty _____ | I. Outpatient Diagnostic Center _____ |
| C. ASTC, Single Specialty _____ | J. Rehabilitation Facility _____ |
| D. Home Health Agency _____ | K. Residential Hospice _____ |
| E. Hospice _____ | L. Nonresidential Substitution-Based Treatment Center for Opiate Addiction _____ |
| F. Mental Health Hospital _____ | M. Other (Specify) _____ |
| G. Intellectual Disability Institutional Habilitation Facility ICF/IID _____ | |

Check appropriate lines(s).

8. Purpose of Review (Check appropriate lines(s) – more than one response may apply)

- | | |
|--|---|
| A. New Institution _____ | F. Change in Bed Complement _____ |
| B. Modifying an ASTC with limitation still required per CON _____ | [Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation] |
| C. Addition of MRI Unit _____ | G. Satellite Emergency Dept. _____ |
| D. Pediatric MRI _____ | H. Change of Location _____ X |
| E. Initiation of Health Care Service as defined in T.C.A. §68-11-1607(4) (Specify) _____ | I. Other (Specify) _____ |

9. Medicaid/TennCare, Medicare Participation

MCO Contracts [Check all that apply]

XAmeriGroup XUnited Healthcare Community Plan XBlueCare XTennCare
Select

Medicare Provider Number _____ To be applied for*

Medicaid Provider Number _____ To be applied for

Certification Type _____ Skilled Nursing Facility

* Pursuant to CMS policy, the Milan HCC Medicare number was voluntarily terminated when the license was placed in Inactive Status. New Medicare and Medicaid provider numbers will be obtained upon opening of the replacement facility.

If a new facility, will certification be sought for Medicare and/or Medicaid/TennCare?

Medicare XYes ___No ___N/A Medicaid/TennCare XYes ___No ___N/A

10. Bed Complement Data

A. Please indicate current and proposed distribution and certification of facility beds.

	<u>Current Licensed</u>	<u>Beds Staffed</u>	<u>Beds Proposed</u>	<u>*Beds Approved</u>	<u>**Beds Exempted</u>	<u>TOTAL Beds at Completion</u>
1) Medical						
2) Surgical						
3) ICU/CCU						
4) Obstetrical						
5) NICU						
6) Pediatric						
7) Adult Psychiatric						
8) Geriatric Psychiatric						
9) Child/Adolescent Psychiatric						
10) Rehabilitation						
11) Adult Chemical Dependency						
12) Child/Adolescent Chemical Dependency						
13) Long-Term Care Hospital						
14) Swing Beds						
15) Nursing Home – SNF (Medicare only)						
16) Nursing Home – NF (Medicaid only)						
17) Nursing Home – SNF/NF (dually certified Medicare/Medicaid)						
18) Nursing Home – Licensed (non-certified)	66	0	0	0	0	66
19) ICF/IID						
20) Residential Hospice						
TOTAL	66	0	0	0	0	66

*Beds approved but not yet in service

**Beds exempted under 10% per 3 year provision

B. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the applicant facility's existing services.

C. N/A. No new beds are involved in this project.

D. Please identify all the applicant's outstanding Certificate of Need projects that have a licensed bed change component. If applicable, complete chart below.

N/A.

11. Home Health Care Organizations – Home Health Agency, Hospice Agency (excluding Residential Hospice), identify the following by checking all that apply:

	Existing Licensed County	Parent Office County	Proposed Licensed County		Existing Licensed County	Parent Office County	Proposed Licensed County
Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lauderdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bedford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lawrence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lewis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bledsoe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lincoln	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Blount	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Loudon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bradley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McMinn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Campbell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McNairy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cannon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Macon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Madison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheatham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marshall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Maury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Claiborne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Meigs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monroe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cocke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Montgomery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coffee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Moore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crockett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cumberland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Obion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Davidson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Overton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decatur	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Perry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DeKalb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pickett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dickson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Polk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Putnam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fayette	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rhea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fentress	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Roane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Franklin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gibson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rutherford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grainger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sequatchie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Greene	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sevier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grundy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Shelby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamblen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamilton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Stewart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hancock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sullivan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gibson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sumner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hardin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tipton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hawkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trousdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unicoi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Van Buren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hickman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Warren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Houston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Washington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Humphreys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wayne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jackson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Weakley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jefferson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johnson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Williamson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

12. Square Footage and Cost Per Square Footage Chart

Unit/Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage		
					Renovated	New	Total
Administrative						1908	1908
Nursing						3101	3101
Dayroom/ Activities						2350	2350
Therapy						2102	2102
Kitchen /Dining						3473	3473
Laundry						842	842
Storage						2255	2255
Patient rooms/ Toilets						14836	14836
Mechanical / Elec						900	900
Unit/Department GSF Sub-Total						31767	31767
Circulation/ Structure						9344	9344
Total GSF						41111	41111
*Total Cost						7,194,425	7,194,425
**Cost Per Square Foot						175	175
Cost per Square Foot Is Within Which Range (For quartile ranges, please refer to the Applicant's Toolbox on www.tn.gov/hsda)					<input type="checkbox"/> Below 1 st Quartile <input type="checkbox"/> Between 1 st and 2 nd Quartile <input type="checkbox"/> Between 2 nd and 3 rd Quartile <input type="checkbox"/> Above 3 rd Quartile	<input type="checkbox"/> Below 1 st Quartile <input checked="" type="checkbox"/> Between 1 st and 2 nd Quartile <input type="checkbox"/> Between 2 nd and 3 rd Quartile <input type="checkbox"/> Above 3 rd Quartile	<input type="checkbox"/> Below 1 st Quartile <input checked="" type="checkbox"/> Between 1 st and 2 nd Quartile <input type="checkbox"/> Between 2 nd and 3 rd Quartile <input type="checkbox"/> Above 3 rd Quartile

13. MRI, PET, and/or Linear Accelerator

N/A. No imaging or CON-covered medical equipment is involved in this project.

1. Describe the acquisition of any Magnetic Resonance Imaging (MRI) scanner that is adding a MRI scanner in counties with population less than 250,000 or initiation of pediatric MRI in counties with population greater than 250,000 and/or
2. Describe the acquisition of any Positron Emission Tomographer (PET) or Linear Accelerator if initiating the service by responding to the following:

A. Complete the chart below for acquired equipment.

<input type="checkbox"/> Linear Accelerator	Mev _____	Types:	<input type="checkbox"/> SRS <input type="checkbox"/> IMRT <input type="checkbox"/> IGRT <input type="checkbox"/> Other _____ <input type="checkbox"/> By Purchase <input type="checkbox"/> By Lease Expected Useful Life (yrs) _____ <input type="checkbox"/> New <input type="checkbox"/> Refurbished <input type="checkbox"/> If not new, how old? (yrs) _____
<input type="checkbox"/> MRI	Tesla: _____	Magnet:	<input type="checkbox"/> Breast <input type="checkbox"/> Extremity <input type="checkbox"/> Open <input type="checkbox"/> Short Bore <input type="checkbox"/> Other _____ <input type="checkbox"/> By Purchase <input type="checkbox"/> By Lease Expected Useful Life (yrs) _____ <input type="checkbox"/> New <input type="checkbox"/> Refurbished <input type="checkbox"/> If not new, how old? (yrs) _____
<input type="checkbox"/> PET	<input type="checkbox"/> PET only <input type="checkbox"/> PET/CT <input type="checkbox"/> PET/MRI		<input type="checkbox"/> By Purchase <input type="checkbox"/> By Lease Expected Useful Life (yrs) _____ <input type="checkbox"/> New <input type="checkbox"/> Refurbished <input type="checkbox"/> If not new, how old? (yrs) _____

* As defined by Agency Rule 0720-9-.01(13)

- B. In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.

- C. Compare lease cost of the equipment to its fair market value. Note: Per Agency Rule, the higher cost must be identified in the project cost chart.

D. Schedule of Operations:

Location	Days of Operation (Sunday through Saturday)	Hours of Operation (example: 8 am – 3 pm)
Fixed Site (Applicant)	_____	_____
Mobile Locations (Applicant)	_____	_____
(Name of Other Location)	_____	_____
(Name of Other Location)	_____	_____

- E. Identify the clinical applications to be provided that apply to the project.**
- F. If the equipment has been approved by the FDA within the last five years provide documentation of the same.**

SECTION B: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with T.C.A. § 68-11-1609(b), “no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of health care.” Further standards for guidance are provided in the State Health Plan developed pursuant to T.C.A. § 68-11-1625.

The following questions are listed according to the four criteria: (1) Need, (2) Economic Feasibility, (3) Applicable Quality Standards, and (4) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper, single-sided or double sided.* All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer, unless specified otherwise. *If a question does not apply to your project, indicate “Not Applicable (NA).”*

QUESTIONS

NEED

1. Provide a response to each criterion and standard in Certificate of Need Categories in the State Health Plan that are applicable to the proposed project. Criteria and standards can be obtained from the Tennessee Health Services and Development Agency or found on the Agency’s website at <http://www.tn.gov/hsda/article/hsda-criteria-and-standards>.

[RESPONSES TO STANDARDS AND CRITERIA IN STATE HEALTH PLAN FOLLOW:]

CONSTRUCTION, RENOVATION, EXPANSION, AND REPLACEMENT OF HEALTH CARE INSTITUTIONS

- I. Any project that includes the addition of beds, services, or medical equipment will be reviewed under the standards for those specific activities.

The applicant seeks to relocate and replace a facility, the license for which is in Inactive Status. Although the approval of this application will not result in any additional licensed beds, the applicant will respond to the standards and criteria which are applicable to newly licensed facilities and/or beds. Please see the section following the relocation and replacement criteria responses.

2. For relocation or replacement of an existing licensed health care institution:

- a. The applicant should provide plans which include costs for both renovation and relocation, demonstrating the strengths and weaknesses of each alternative.

The applicant acquired Milan HCC effective July 21, 2017. The building which housed Milan HCC was being leased by it. The age of the physical plant (55 years) and the general condition of it was in such that the applicant did not want to purchase the real estate. Since the building is not owned by the applicant, and in light of its outdated condition, there was never a plan to attempt to renovate. The applicant wants to build a new up-to-date facility at a new site

conveniently located on a major US/State Highway in Medina that will better serve the community.

b. The applicant should demonstrate that there is an acceptable existing or projected future demand for the proposed project.

There is an acceptable existing demand and a much greater projected demand for the beds and services of CCC of Medina, f/k/a Milan HCC.

In 2015 (the latest year for which data is publicly available for Milan HCC) Milan HCC provided 19,126 patient days of care. The relocation and replacement facility will allow the existing 66 licensed beds to continue to serve the area. It is believed the past utilization would have been significantly greater with a new up to date facility, and utilization is projected to increase significantly in the future, due in part to the more attractive facility and more private beds.

The proposed relocation to the Medina area in the southern portion of Gibson County is also expected to increase the utilization of CCC of Medina. Medina is clearly the area of greatest population growth in Gibson County. Its population grew by 38.6% between 2010 and 2016. There is not a single SNF in the Medina area. Milan, on the other hand, is projected to experience a slight population decrease between 2010 and 2016. There are currently 3 SNFs located in the Milan area, including the former Milan HCC.

The northern portion of Gibson County currently has 5 SNFs -- 3 in Milan, and 1 each in Trenton and Dyer. The southern portion of Gibson County has only 4 SNFs -- all located in Humboldt, with none in Medina. The two sectors of the county, with the northern sector represented by population centers of Milan, Trenton, and Dyer, and the southern sector represented by population centers of Medina and Humboldt are roughly the same in population, but the southern sector is projected to experience 9.4% population growth, while the northern sector is projected to experience a 2% decrease in population.

Locating the replacement facility in Medina, in the southern sector of the county, will bring beds into to the greatest population growth area, and better serve the county as a whole. Medina has experienced very strong population growth of 38.6% between 2010 and 2017, as verified by a state-certified special census in 2017. Since there are no SNFs located in Medina, it is good health planning and orderly development of health care to locate the replacement facility there. Please see the table below.

<u>Population Centers</u>	<u>2010 Pop.</u>	<u>2016 Pop.</u>	<u>Population Growth</u>	<u># of SNFs</u>	<u># of Beds</u>
Milan	7,851	7,792	-0.8%	3	255
Trenton	4,264	4,140	-2.9%	1	62
Dyer	2,341	2,236	-4.5%	1	120
Northern County Total	14,456	14,168	-2.0%	5	437
Medina	3,479	4,822*	38.6%	0	0
Humboldt	8,452	8,235	-2.6%	4	399
Southern County Total	11,931	13,057	9.4%	4	399

* Medina "2016 Population" is actual 2017 population as determined by a state-certified special census. All other 2016 population figures are as projected by the U.S. Census

Bureau.

Source: U.S. Census Bureau; City of Medina, TN

Locating the replacement facility in the southern portion of Gibson County will also help stem out-migration of Gibson County residents to Madison County to receive SNF services. There was significant out-migration from Gibson County for SNF services in 2016. Most of the out-migration was to Madison County, which borders Gibson County to the south.

COUNTY OF SNF CARE -- GIBSON COUNTY RESIDENTS 2016

McNairy	1	0.14%
Crockett	8	1.12%
Gibson	515	72.33%
Shelby	4	0.56%
Haywood	2	0.28%
Davidson	5	0.70%
Rutherford	0	0.00%
Weakley	23	3.23%
Dyer	6	0.84%
Madison	125	17.56%
Montgomery	2	0.28%
Chester	2	0.28%
Henry	2	0.28%
Carroll	8	1.12%
Williamson	1	0.14%
White	1	0.14%
Grundy	1	0.14%
Lake	4	0.56%
Obion	1	0.14%
Decatur	1	0.14%
	712	100.00%

Total Outmigration = 28%

Outmigration to Madison Co. = 18%

Source: Tennessee Department of Health, Division of Health Statistics

Although there are SNFs located in Humboldt which is also in the southern sector of Gibson County, having a new replacement facility in Medina will help decrease out-migration into Madison County, and provide another local SNF option for Gibson County residents.

3. For renovation or expansions of an existing licensed health care institution:

N/A.

a. The applicant should demonstrate that there is an acceptable existing demand for the proposed project.

b. The applicant should demonstrate that the existing physical plant's condition warrants major renovation or expansion.

NURSING HOME BEDS STANDARDS AND CRITERIA

The applicant seeks to relocate and replace a facility the license for which is in Inactive Status. Although the approval of this application will not result in any additional licensed beds, the applicant nevertheless responds to the standards and criteria which are applicable to newly licensed facilities and/or beds, as follows:

1. Determination of Need.

The need for nursing home beds for each county in the state should be determined by applying the following population-based statistical methodology:

Need =

.0005 x population 65 and under, plus

.012 x population 65-74, plus

.060 x population 75-84, plus

.150 x population 85 +

According to the calculations of the Department of Health, there is a gross need for 493 beds in Gibson County in 2020. According to the Division of Health Care Facilities website, there is a total of 836 licensed beds in Gibson County in 2018. There is a resulting projected surplus of 343 beds.

2. Planning horizon: The need for nursing home beds shall be projected two years into the future from the current year.

A two year planning horizon from the date of filing was utilized.

3. Establishment of Service Area: A majority of the population of the proposed Service Area for any nursing home should reside within 30 minutes travel time from that facility. Applicants may supplement their applications with sub-county level data that are available to the general public to better inform the HSDA of granular details and trends; however, the need formula established by these Standards will use the latest available final JAR data from the Department of Health. The HSDA additionally may consider geographic, cultural, social, and other aspects that may impact the establishment of a Service Area.

The primary service area is Gibson County, where the facility is located. It is projected that 80% of the Year 1 admissions will be residents of Gibson County, based on the location of the replacement facility and the ability to decrease out-migration to the south of the county. It is believed a majority of the residents of Gibson County can travel to Medina within 30 minutes.

4. Existing Nursing Home Capacity: In general, the Occupancy Rate for each nursing home currently and actively providing services within the applicant's proposed Service Area should be at or above 90% to support the need for any project seeking to add new nursing home beds within the Service Area and to ensure that the financial viability of existing facilities is not negatively impacted.

N/A. No new beds are proposed.

Occupancy data for each SNF in Gibson County for the years 2014-2016 is attached as Attachment Section B, Need, 1, (1). The average annual occupancy rate for the county as a

whole in 2016 was 74.1%, but this does not include occupancy data for Milan HCC, which apparently did not file a 2016 JAR. The county-wide occupancy was 75.5% in 2015, which includes Milan HCC. That facility had an average occupancy rate of 79.4% in 2015.

Gibson County is particularly underserved with private SNF beds. Of the 836 SNF beds, only 59 are private beds, representing only 7% of the total beds in Gibson County. The proposed new replacement facility will have 40 private beds and 26 semi-private beds, increasing the number of private beds in Gibson County by nearly 68% and making more of the preferred private beds available.

When considering replacement facility or renovation applications that do not alter the bed component within the Service Area, the HSDA should consider as the primary factor whether a replacement facility's own occupancy rate could support its economic feasibility, instead of the occupancy rates of other facilities in the Service Area.

In 2015 (the latest year for which data is publicly available for Milan HCC) Milan HCC provided 19,126 patient days of care, which is an average annual occupancy rate of 79.4%. It is believed the past utilization would have been significantly greater with a new up to date facility, and utilization is projected to increase significantly in the future, in part due to the more attractive modern facility and more private beds. In addition, the relocation to Medina will increase utilization, as it will decrease out-migration and capture some of the Gibson County residents, particularly those in the southern sector of the county, currently leaving the county for SNF care.

5. **Outstanding Certificates of Need: Outstanding CONs should be factored into the decision whether to grant an additional CON in a given Service Area or county until an outstanding CON's beds are licensed.**

There are no outstanding CONs for nursing home beds or to relocate and replace a SNF in Gibson County.

6. **Data: The Department of Health data on the current supply and utilization of licensed and CON-approved nursing home beds should be the data source employed hereunder, unless otherwise noted.**

The sources relied upon are the Division of Health Care Facilities website, data from the Division of Health Statistics, and Joint Annual Reports.

7. **Minimum Number of Beds: A newly established free-standing nursing home should have a sufficient number of beds to provide revenues to make the project economically feasible and thus is encouraged to have a capacity of least 30 beds. However, the HSDA should consider exceptions to this standard if a proposed applicant can demonstrate that economic feasibility can be achieved with a smaller facility in a particular situation.**

N/A. The facility has 66 currently licensed beds, and no new beds are being sought.

8. **Encouraging Facility Modernization: The HSDA may give preference to an application that:**

- a. **Proposes a replacement facility to modernize an existing facility.**

A new modernized replacement facility is sought by this application. The current facility was constructed in 1963 and has had no major renovations since that time. It is the oldest SNF in Gibson County. The current facility has only 6 private beds and 60 semi-private beds. The replacement facility will have 40 private beds and 26 semi-private beds. In general, private beds are much preferred by those in need of SNF care.

b. Seeks a certificate of need for a replacement facility on or near its existing facility operating location. The HSDA should evaluate whether the replacement facility is being located as closely as possible to the location of the existing facility and, if not, whether the need for a new, modernized facility is being impacted by any shift in the applicant's market due to its new location within the Service Area.

The site for the replacement facility is at the intersection of Highway 45E and Sonic Drive in Gibson County, approximately 10 miles from the current site. The new site is still within Gibson County, but its location in Media instead of Milan will accomplish a needed re-distribution of beds within Gibson County.

Locating the replacement facility in Medina, in the southern sector of the county, will bring beds into to the greatest population growth area, and better serve the county as a whole. Medina has experienced very strong population growth of 38.6% between 2010 and 2017, as verified by a state-certified special census in 2017. Since there are no SNFs located in Medina, it is good health planning and orderly development of health care to locate the replacement facility there. Please see the table below.

<u>Population Centers</u>	<u>2010 Pop.</u>	<u>2016 Pop.</u>	<u>Population Growth</u>	<u># of SNFs</u>	<u># of Beds</u>
Milan	7,851	7,792	-0.8%	3	255
Trenton	4,264	4,140	-2.9%	1	62
Dyer	2,341	2,236	-4.5%	1	120
Northern County Total	14,456	14,168	-2.0%	5	437
Medina	3,479	4,822*	38.6%	0	0
Humboldt	8,452	8,235	-2.6%	4	399
Southern County Total	11,931	13,057	9.4%	4	399

* Medina "2016 Population" is actual 2017 population as determined by a state-certified special census. All other 2016 population figures are as projected by the U.S. Census Bureau.

Source: U.S. Census Bureau; City of Medina, TN

Locating the replacement facility in the southern portion of Gibson County will also help stem out-migration of Gibson County residents to receive SNF services. In 2016 there was 28% total out-migration from Gibson County, and most of it -- 18% -- was to Madison County, which borders Gibson County to the south.

c. Does not increase its number of operating beds.

This application does not seek to increase the number of licensed beds.

9. **Adequate Staffing:** An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. However, when considering applications for replacement facilities or renovations of existing facilities, the HSDA may determine the existing facility's staff would continue without significant change and thus would be sufficient to meet this Standard without a demonstration of efforts to recruit new staff.

The proposed staffing plan calls for approximately 39 FTE direct patient care positions and 39 FTE non-direct patient care positions. The staffing pattern is set forth in more detail in the Contribution to Orderly Development section of this application.

Care Centers Management Consulting and its affiliates own and/or operate 7 SNFs in Tennessee and is very experienced in recruiting, hiring and retaining the required staffing.

10. **Community Linkage Plan:** The applicant should describe its participation, if any, in a community linkage plan, including its relationships with appropriate health care system providers/services and working agreements with other related community services to assure continuity of care. If they are provided, letters from providers (including, e.g., hospitals, hospice services agencies, physicians) in support of an application should detail specific instances of unmet need for nursing home services.

Christian Care Center of Medina will have an extensive network of care providers and service vendors. A list of the anticipated contractors and vendors attached as Attachment Section B, Orderly Development, 1.

11. **Access:** The applicant should demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area. However, an applicant should address why Service Area residents cannot be served in a less restrictive and less costly environment and whether the applicant provides or will provide other services to residents that will enable them to remain in their homes.

Christian Care Center of Medina will serve all patients, regardless of race, age, gender, nationality, socio-economic status or payor source.

The need for the relocation and replacement facility sought by this application is not based on a lack of bed capacity in the service area or upon a significant lack of access to care. No additional licensed beds or increase in capacity is sought.

12. **Quality Control and Monitoring:** The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program as required by the Affordable Care Act. As an alternative to the

provision of third party accreditation information, applicants may provide information on any other state, federal, or national quality improvement initiatives. An applicant that owns or administers other nursing homes should provide detailed information on their surveys and their quality control programs at those facilities, regardless of whether they are located in Tennessee.

Care Centers Management Consulting, Inc., the consulting company for the facility, is an experienced operator of long term care facilities. It currently operates seven skilled nursing facilities in Tennessee, and one in Kentucky, which are owned by affiliated companies. Care Centers' affiliated facilities average 2.2 annual survey deficiencies.

All of Care Centers' affiliated facilities submit themselves to Joint Commission scrutiny and are Joint Commission accredited, or are waiting on final accreditation. CCC of Medina will also submit to and be accredited by the Joint Commission. CCC of Medina will continue to be licensed by the Tennessee Board for Licensing Health Care Facilities, and will be TennCare and Medicare certified. Upon the voluntary suspension of operations, Milan HCC's Medicare provider number was voluntarily terminated, but certification and participation in Medicare will be resumed upon the opening of the replacement facility. CCC of Medina will maintain compliance with and remain in good standing with all licensing and accrediting authorities.

The applicant will maintain and comply with its Quality Assurance and Performance Improvement Program. In the interest of brevity a copy of the entire program manual is not attached, but the Table of Contents of the QAPI is attached as Attachment Section A, B (3).

- 13. Data Requirements: Applicants should agree to provide the TDH and/or the HSDA with all reasonably requested information and statistical data related to the operation and provision of services at the applicant's facility and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.**

The applicant will provide such data as requested.

14. Additional Occupancy Rate Standards:

- a. An applicant that is seeking to add or change bed component within a Service Area should show how it projects to maintain an average occupancy rate for all licensed beds of at least 90 percent after two years of operation.**

The applicant is not adding any new beds; it is seeking to relocate 66 licensed beds to a new location in a replacement facility.

The projected utilization for CCC of Medina is as follows:

Year 1:	12,739 Patient Days	53% Avg. Occupancy
Year 2:	22,326 Patient Days	93% Avg. Occupancy

- b. There should be no additional nursing home beds approved for a Service Area unless each existing facility with 50 beds or more has achieved an average annual occupancy rate of**

90 percent. In determining the Service Area's occupancy rate, the HSDA may choose not to consider the occupancy rate of any nursing home in the proposed Service Area that has been identified by the TDH Regional Administrator as consistently noncomplying with quality assurance regulations, based on factors such as deficiency numbers outside of an average range or standards of the Medicare 5 Star program.

N/A. This application does not seek any additional beds.

c. A nursing home seeking approval to expand its bed capacity should have maintained an occupancy rate of 90 percent for the previous year.

N/A. The applicant is not seeking to expand its bed capacity.

[END OF RESPONSES TO NURSING HOME CRITERIA IN THE STATE HEALTH PLAN]

- 2. Describe the relationship of this project to the applicant facility's long-range development plans, if any, and how it relates to related previously approved projects of the applicant.**

N/A. The applicant has no long range plans beyond the relocation and replacement facility sought by this application.

- 3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map for the Tennessee portion of the service area using the map on the following page, clearly marked to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable.**
Attachment Section B - Need-3.

The projected service area is Gibson County, Tennessee where CCC of Medina will be located. It is projected that 80% of the Year 1 admissions to CCC of Medina will be residents of Gibson County.

The applicant is in an unusual position as to the historical service area of Milan HCC (being defined in terms of patient origin) and the projected service area for the new CCC of Medina. For whatever reason, under the prior ownership a majority of Milan HCC's patient base came from outside of Gibson County. Part of the reason may be the age and condition of the physical facility -- the Milan HCC facility is the oldest in Gibson County, having been constructed in 1963. The local population would probably be more aware of this than would patients and families who were not local. Another reason may be the lack of a SNF in the high-growth Medina area caused families to seek placements out of the county in Madison County.

The applicant will remedy both of these possible short-comings and significantly increase its patient origin from Gibson County.

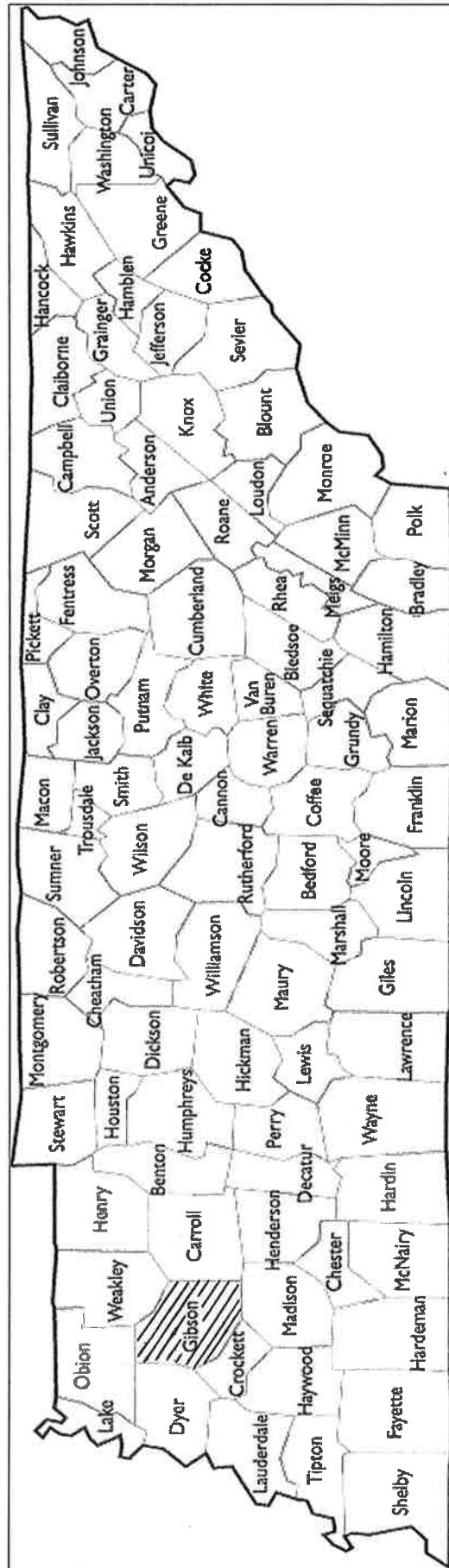
Please complete the following tables, if applicable:

Service Area Counties	Historical Utilization-County Residents (From Prior Owner's 2015 JAR)	% of total patients
Shelby	20	41.7%
Hardeman	10	20.8%
Gibson	8	16.7%
Rutherford	2	4.2%
Other (no more than 1 each)	8	16.7%
Total	48	100%
Service Area Counties	Projected Utilization-County Residents (Admissions)	% of total admissions
Gibson	85	80%
Other	21	20%
Total	106	100%

As discussed in more detail elsewhere in this application in 2016 125 Gibson County residents out-migrated to Madison County for SNF beds. By relocating the facility from Milan to Medina in south Gibson County, and building a new replacement facility with more private beds, CCC of Medina can capture much of the out-migration to Madison County.

Assuming CCC Medina captures just 60% of the out-migration to Madison County, that will result in 75 admissions, or 71% of the total projected Year 1 admissions. An additional 10 admissions from Gibson County is a reasonable projection, in light of the fact the old facility had 8 patients from Gibson County in 2015. With the significant population growth in the southern portion of Gibson County, particularly in Medina, an additional 2 patients from Gibson County is a very conservative projection. The remaining 20% of the Year 1 patient base, or 21 admissions, will be dispersed among various other counties.

**Service Area Map
Christian Care Center of Medina**



4. A. 1) Describe the demographics of the population to be served by the proposal.

A table with the requested information is attached as Attachment Section B, Need, 4 A. The table includes both a 4 year and a 2 year planning horizon.

2) Using current and projected population data from the Department of Health, the most recent enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, complete the following table and include data for each county in your proposed service area.

A table with the requested information is attached as Attachment Section B, Need, 4 A. The table includes both a 4 year and a 2 year planning horizon.

B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

CCC of Medina will be accessible to all socio-economic groups. The facility will participate in TennCare and Medicare.

Special needs and relevant demographic characteristics of the service area that can be summarized from the attached table include the following:

Both the overall population and the 65+ population are projected to grow at a smaller rate than the state as a whole. However, the target population of 65+ is projected to be a greater percentage of the total in the service area (20% in 2020) as compared to the state as a whole (18% in 2020).

The percentage of the population living below the poverty level in Gibson County (18.7%) is higher than the state as a whole (17.2%). The percentage of the population enrolled in TennCare (24.9%) is higher than the state as a whole (21%).

5. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days, average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc. This doesn't apply to projects that are solely relocating a service.

This application seeks no additional beds or an increase in capacity; it is for the relocation of existing licensed beds and a replacement facility only.

Detailed utilization data for each SNF in Gibson County for the years 2014-2016 is previously attached as Attachment Section B, Need, 1, (1). The data includes patient days by level of care, ADC by level of care, occupancy percentage, and number of beds by certification type.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three years and the projected annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the

methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

Milan HCC (Under previous ownership):

2016:	No JAR on file	
2015:	19,126 Patient Days	79.4% Occupancy
2014:	20,065 Patient Days	83.3% Occupancy

CCC of Medina Projected Utilization:

Year 1:	12,739 Patient Days	53% Occupancy
Year 2:	22,326 Patient Days	93% Occupancy

The facility will begin its first year of operation with no patients. During the first year, it is expected that Medicare Part A patients will make up a higher percentage of the overall census due to the fact that most patients will initially admit to the facility from a hospital. Occupancy is expected to grow steadily during the first year of operation, reaching 90% occupancy by the end of the first year.

By the second year of operation, it is expected that the facility's occupancy and mix will stabilize around 93%, with Medicaid making up the largest portion of the facility's overall mix as the facility achieves higher overall occupancy levels and retains a larger number of long-term residents. The facility will serve both short-stay, more acute patients, as well as longer-term patients.

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.

- A. All projects should have a project cost of at least \$15,000 (the minimum CON Filing Fee). (See Application Instructions for Filing Fee)
- B. The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.
- C. The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

A Project Costs Chart with the requested information and cost components is attached on the following pages.

- D. Complete the Square Footage Chart on page 8 and provide the documentation. Please note the Total Construction Cost reported on line 5 of the Project Cost Chart should equal the Total Construction Cost reported on the Square Footage Chart.

A Square Footage and Cost Per Square Foot Chart is attached at the appropriate place in the application.

- E. For projects that include new construction, modification, and/or renovation—documentation must be provided from a licensed architect or construction professional that support the estimated construction costs. Provide a letter that includes the following:

- 1) A general description of the project;
- 2) An estimate of the cost to construct the project;
- 3) A description of the status of the site's suitability for the proposed project; and
- 4) Attesting the physical environment will conform to applicable federal standards, manufacturer's specifications and licensing agencies' requirements including the AIA Guidelines for Design and Construction of Hospital and Health Care Facilities in current use by the licensing authority.

A letter from the project architect is attached as Attachment Section B, Economic Feasibility, 1.

PROJECT COST CHART

A.	Construction and equipment acquired by purchase:		
	1. Architectural and Engineering Fees	\$	300,000.00
	2. Legal, Administrative, Consultant Fees	\$	35,000.00
	3. Acquisition of Site	\$	575,000.00
	4. Preparation of Site	\$	190,000.00
	5. Total Construction Costs	\$	7,194,425.00
	6. Contingency Fund 7%	\$	530,610.00
	7. Fixed Equipment (Not included in Construction Contract)		
	8. Moveable Equipment (List all equipment over \$50,000.00)		
	9. Other (Specify) <u>FF&E (see attached list)</u>	\$	959,122.00
B.	Acquisition by gift donation, or lease:		
	1. Facility (Inclusive of building and land)		
	2. Building Only		
	3. Land Only		
	4. Equipment (Specify) _____		
	5. Other (Specify) _____		
C.	Financing Costs and Fees:		
	1. Interim Financing (Construction Period Interest)	\$	280,000.00
	2. Underwriting Costs	\$	50,000.00
	3. Reserve for One Year's Debt Service		
	4. Other (Specify) _____		
D.	Estimated Project Cost (A+B+C)	\$	10,114,157.00
E.	CON Filing Fee	\$	58,156.40
F.	Total Estimated Project Cost (D + E)	TOTAL	\$ 10,172,313.40

FF&E (Line A, 9)

Resident Room Furniture	425,000
Dining Room Furniture	48,000
Common Area Furniture	30,000
Office Furniture	35,000
Soft goods	60,000
Art	11,000
Signage	7,000
TV's	18,000
Greenery	8,000
Logistics & Installation	68,879
Freight	24,543

Total	735,422
--------------	----------------

Rehab and fitness	99,000
Environmental	33,000
Small wares	22,000
Clinical	34,000
Textiles	10,000
logistics & Installation	18,480
Freight	7,220

Total	223,700
--------------	----------------

Total FFE	959,122
------------------	----------------

2. Identify the funding sources for this project.

Check the applicable item(s) below and briefly summarize how the project will be financed. *(Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment Section B-Economic Feasibility-2.)*

- ☒ A. Commercial loan – Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;

Funding letters are attached as Attachment Section B, Economic Feasibility, 2. There is one from the Bank of Tennessee for construction and start-up costs in the amount of approximately \$10.2 million, and one from the Bank of Tennessee for a line of credit for working capital in the amount of \$1 million.

- ☐ B. Tax-exempt bonds – Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds – Copy of resolution from issuing authority or minutes from the appropriate meeting;
- ☐ D. Grants – Notification of intent form for grant application or notice of grant award;
- ☐ E. Cash Reserves – Appropriate documentation from Chief Financial Officer of the organization providing the funding for the project and audited financial statements of the organization; and/or
- ☐ F. Other – Identify and document funding from all other sources.

3. Complete Historical Data Charts on the following two pages—*Do not modify the Charts provided or submit Chart substitutions!*

Historical Data Chart represents revenue and expense information for the last *three (3)* years for which complete data is available. Provide a Chart for the total facility and Chart just for the services being presented in the proposed project, if applicable. Only complete one chart if it suffices.

Note that “Management Fees to Affiliates” should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. “Management Fees to Non-Affiliates” should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

A Historical Data Chart of the prior owner's operations is attached following this response.

HISTORICAL DATA CHART

☐ Total Facility
☐ Project Only

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in __January__ (Month)

	Year: 2016	Year: 2015	Year: 2014
A. Utilization/Occupancy Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits)	17,190 patient days	19,126 patient days	20,065 patient days
B. Revenue from Services to Patients			
1. Inpatient Services	\$3,749,289.00	\$4,063,317.00	\$3,788,087.00
2. Outpatient Services			
3. Emergency Services			
4. Other Operating Revenue	\$254,177.00	\$213,772.00	\$92,797.00
Specify: <u>Miscellaneous Income</u>			
Gross Operating Revenue	\$4,003,466.00	\$4,277,089.00	\$3,880,884.00
C. Deductions from Operating Revenue			
1. Contract Deductions	\$970,579.00	\$1,008,183.00	\$622,043.00
2. Provision for Charity Care	\$40,208.00	\$55,985.33	\$87,004.00
3. Provision for Bad Debt	\$20,104.00	\$27,992.67	\$43,502.00
Total Deductions	\$1,030,891.00	\$1,092,161.00	\$752,549.00
NET OPERATING REVENUE	\$2,972,575.00	\$3,184,928.00	\$3,128,335.00
D. Operating Expenses			
1. Salaries and Wages			
a. Direct Patient Care	\$581,825.00	\$642,335.00	\$669,352.00
b. Non-Patient Care	\$442,862.00	\$446,828.00	\$588,884.00
2. Physicians' Salaries and Wages	\$14,400.00	\$14,400.00	\$14,400.00
3. Supplies	\$108,246.00	\$114,257.00	\$224,931.00
4. Rent			
a. Paid to Affiliates	\$235,787.00	\$235,254.00	\$235,007.00
b. Paid to Non-Affiliates			
5. Management Fees:			
a. Fees to Affiliates	\$432,153.00	\$195,304.00	\$194,769.00
b. Fees to Non-Affiliates			
6. Other Operating Expenses	\$2,386,384.00	\$1,152,355.00	\$1,005,888.00
Total Operating Expenses	\$4,201,657.00	\$2,800,733.00	\$2,933,231.00
E. Earnings Before Interest, Taxes, and Depreciation	-\$1,229,082.00	\$384,195.00	\$195,104.00
F. Non-Operating Expenses			
1. Taxes	\$276,855.00	\$266,681.00	\$186,239.00
2. Depreciation	\$41,135.00	\$43,547.00	\$58,850.00
3. Interest	\$13,204.00	\$28,898.00	\$34,647.00
4. Other Non-Operating Expenses			
Total Non-Operating Expenses	\$331,194.00	\$339,126.00	\$279,736.00
NET INCOME (LOSS)	-\$1,560,276.00	\$45,069.00	-\$84,632.00
G. Other Deductions			
1. Annual Principal Debt Repayment			
2. Annual Capital Expenditure			
Other Total Deductions	\$0.00	\$0.00	\$0.00
NET BALANCE	-\$1,560,276.00	\$45,069.00	-\$84,632.00
DEPRECIATION	\$0.00	\$0.00	\$0.00
FREE CASH FLOW (Net Balance + Depreciation)	-\$1,560,276.00	\$45,069.00	-\$84,632.00

HISTORICAL DATA CHART -- OTHER EXPENSES

___ Total Facility
___ Project Only

<u>OTHER EXPENSE CATEGORY</u>	Year <u>2016</u>	Year <u>2015</u>	Year <u>2014</u>
1. Professional Services Contracts	\$40,194.00	\$25,497.00	\$40,229.00
2. Contract Labor	\$543,353.00	\$531,275.00	\$334,614.00
3. Imagng Interpretation Fees (Itemize all others below)			
Payroll tax, empl. benefits	\$141,936.00	\$174,992.00	\$206,022.00
Insurance	\$117,763.00	\$129,704.00	\$134,076.00
Penalties	\$1,301,294.00	\$1,194.00	\$0.00
All other expenses	\$241,844.00	\$289,693.00	\$290,947.00
TOTAL OTHER EXPENSES	<u>\$2,386,384.00</u>	<u>\$1,152,355.00</u>	<u>\$1,005,888.00</u>

4. Complete Projected Data Charts on the following two pages – **Do not modify the Charts provided or submit Chart substitutions!**

The Projected Data Chart requests information for the two years following the completion of the proposed services that apply to the project. Please complete two Projected Data Charts. One Projected Data Chart should reflect revenue and expense projections for the *Proposal Only* (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility). The second Chart should reflect information for the total facility. Only complete one chart if it suffices.

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

A completed Projected Data Chart is attached following this page.

PROJECTED DATA CHART

☒ Total Facility
☐ Project Only

Give information for the last two (2) years for which complete data are available for the facility or agency. The fiscal year begins in January (Month)

	Year: 1	Year: 2
A. Utilization/Occupancy Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits)	12,739 patient days 53 % occupancy	22,326 patient days 93 % occupancy
B. Revenue from Services to Patients		
1. Inpatient Services	\$3,958,954.00	\$6,589,763.00
2. Outpatient Services		
3. Emergency Services		
4. Other Operating Revenue	\$3,900.00	\$9,600.00
Specify: Phone, Cable, Guest Meals		
Gross Operating Revenue	\$3,962,854.00	\$6,599,363.00
C. Deductions from Operating Revenue		
1. Contract Deductions	\$223,643.87	\$444,882.46
2. Provision for Charity Care	\$50,115.01	\$83,417.50
3. Provision for Bad Debt	\$31,925.12	\$53,140.03
Total Deductions	\$305,684.00	\$581,440.00
NET OPERATING REVENUE	\$3,657,170.00	\$6,017,923.00
D. Operating Expenses		
1. Salaries and Wages		
a. Direct Patient Care	\$866,622.00	\$1,476,621.00
b. Non-Patient Care	\$492,502.00	\$558,493.00
2. Physicians' Salaries and Wages	\$18,000.00	\$18,000.00
3. Supplies	\$263,254.00	\$413,934.00
4. Rent		
a. Paid to Affiliates	\$774,000.00	\$774,000.00
b. Paid to Non-Affiliates		
5. Management Fees:		
a. Fees to Affiliates	\$109,715.00	\$180,538.00
b. Fees to Non-Affiliates		
6. Other Operating Expenses	\$1,320,327.00	\$1,834,555.00
Total Operating Expenses	\$3,844,420.00	\$5,256,141.00
E. Earnings Before Interest, Taxes, and Depreciation	-\$187,250.00	\$761,782.00
F. Non-Operating Expenses		
1. Taxes	\$206,850.00	\$206,850.00
2. Depreciation	\$120,000.00	\$120,000.00
3. Interest	\$2,400.00	\$2,400.00
4. Other Non-Operating Expenses	\$36,000.00	\$36,000.00
Total Non-Operating Expenses	\$365,250.00	\$365,250.00
NET INCOME (LOSS)	-\$552,500.00	\$396,532.00
G. Other Deductions		
1. Estimated Annual Principal Debt Repayment		
2. Annual Capital Expenditure		
Other Total Deductions	\$0.00	\$0.00
NET BALANCE	-\$552,500.00	\$396,532.00
DEPRECIATION	\$0.00	\$0.00
FREE CASH FLOW (Net Balance + Depreciation)	-\$552,500.00	\$396,532.00

PROJECTED DATA CHART -- OTHER EXPENSES

☒ Total Facility
☐ Project Only

OTHER EXPENSE CATEGORY**Year __1__****Year __2__**

1. Professional Services Contracts	\$60,259.00	\$73,188.00
2. Contract Labor	\$328,094.00	\$460,492.00
3. Imagng Interpretation Fees (Itemize all others below)		
Payroll Taxes, Employee Benefits, Workers Comp	\$293,203.00	\$445,508.00
Property and Liability Insurance	\$66,000.00	\$66,000.00
All Other Expenses	\$572,771.00	\$789,367.00
TOTAL OTHER EXPENSES	\$1,320,327.00	\$1,834,555.00

5. A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.

	Previous Year (2016- Prior Owner)	Current Year	Year One	Year Two	% Change (2016 Prior Owner - Year 2)
Gross Charge (<i>Gross Operating Revenue/Utilization Data</i>)	\$232.90	N/A	\$311.08	\$295.59	27%
Deduction from Revenue (<i>Total Deductions/Utilization Data</i>)	\$59.97	N/A	\$23.99	\$26.04	-57%
Average Net Charge (<i>Net Operating Revenue/Utilization Data</i>)	\$172.92	N/A	\$287.08	\$269.55	56%

- B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

The projected average charges are reflected above. The anticipated revenues are reflected in the Projected Data Chart. There are no current charges.

- C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

The projected average charges for CCC of Medina in Year 1 of operation are reflected above. The average charges of other SNF providers in Gibson County in 2016 are reflected below.

Facility	Total Gross Revenue	Total Net Revenue	Total Days of Care	Average Gross Charge PPD	Average Net Charge PPD
Bailey Park Community Living Center	\$5,391,201.00	\$4,520,449.00	13,505	\$399.20	\$334.72
Douglas Nursing Home	\$4,493,517.00	\$3,232,830.00	19,683	\$228.29	\$164.24
Dyer Nursing and Rehabilitation Center	\$8,675,526.00	\$7,783,422.00	35,828	\$242.14	\$217.24
Humboldt Healthcare and Rehab Center	\$5,995,054.00	\$4,438,188.00	17,701	\$338.68	\$250.73
Humboldt Nursing and Rehabilitation Center	\$5,531,287.00	\$4,944,387.00	22,767	\$242.95	\$217.17
NHC HealthCare, Milan	\$10,688,477.00	\$8,833,727.00	35,010	\$305.30	\$252.32
Trenton Center	\$9,584,009.00	\$7,935,850.00	15,401	\$622.30	\$515.28
Tenn. State Veterans' Home	\$16,793,140.00	\$15,288,717.00	48,283	\$347.81	\$316.65

6. A. Discuss how projected utilization rates will be sufficient to support the financial performance. Indicate when the project's financial breakeven is expected and demonstrate the availability of sufficient cash flow until financial viability is achieved. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For all projects, provide financial information for the corporation, partnership, or principal parties that will be a source of funding for the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment Section B-Economic Feasibility-6A. NOTE: Publicly held entities only need to reference their SEC filings.

Christian Care Center of Medina, LLC is a newly formed entity, and therefore no financial data exists. There is no parent company of CCC of Medina.

As reflected in the Projected Data Chart, CCC of Medina is expected to have an operating loss in Year 1, but will be profitable in Year 2 and thereafter.

Financial stability and viability is assured by the fact the applicant will be backed by a \$1 million line of credit. Please see the funding letters attached as Attachment Section B, Economic Feasibility, 2.

- B. Net Operating Margin Ratio – Demonstrates how much revenue is left over after all the variable or operating costs have been paid. The formula for this ratio is: (Earnings before interest, Taxes, and Depreciation/Net Operating Revenue).

Utilizing information from the Historical and Projected Data Charts please report the net operating margin ratio trends in the following table:

Year	2nd Year previous to Current Year (2016 Prior Owner)	1st Year previous to Current Year (2015 Prior Owner)	Current Year	Projected Year 1	Projected Year 2
Net Operating Margin Ratio	-0.41	0.12	N/A	-.05	.13

- C. Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: Long Term Debt/(Long Term Debt + Total Equity) x 100.

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

N/A. The applicant is a newly formed company, and has no long term debt.

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.

Applicant's Projected Payor Mix, Year 1

Payor Source	Projected Gross Operating Revenue	As a % of total
Medicare/Medicare Managed Care	\$1,923,569	48.54 %
TennCare/Medicaid	\$1,475,767	37.24 %
Commercial/Other Managed Care	\$115,319	2.91 %
Self-Pay	\$329,313	8.31 %
Charity Care	\$50,328	1.27 %
Other (Specify) Hospice	\$68,557	1.73 %
Total	\$3,962,854	100.00 %

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

Position Classification	Existing FTEs (enter year)	Projected FTEs Year 1	Average Wage (Contractual Rate)	Area Wide/Statewide Average Wage
A. Direct Patient Care Positions				
RN	N/A	4.2	\$32.39	\$30.00
LPN	N/A	7.0	\$23.81	\$20.20
CNA	N/A	19.6	\$13.35	\$12.00
Activities & Chaplain	N/A	2.25	\$17.57	Not Listed
Dietary	N/A	6.42	\$13.25	\$12.00
Total Direct Patient Care Positions	N/A	39.47	\$20.07	\$18.55
B. Non-Patient Care Positions				
Administrator	N/A	1.0	\$48.08	\$46.00
Human Resources	N/A	2.0	\$19.65	\$19.65
Housekeeping	N/A	4.94	\$11.60	\$9.85
Laundry	N/A	1.4	\$11.60	\$9.85

Nursing Administration	N/A	3.0	\$37.58	Not Listed
Medical Records	N/A	1.0	\$19.23	\$17.75
Maintenance	N/A	23.68	\$21.00	\$18.60
Marketing/Social Services	N/A	2.0	\$29.43	\$28.00
Total Non-Patient Care Positions	N/A	39.02	\$24.77	\$21.39
Total Employees (A+B)	N/A	78.49		
C. Contractual Staff				
Physical Therapist	N/A	1.40	\$43.00	\$42.75
Physical Therapist Assistant	N/A	2.80	\$35.00	\$34.10
Occupational Therapist	N/A	1.40	\$41.00	\$40.65
Certified Occupational Therapy Assistant	N/A	2.40	\$35.00	No Info Available
Speech Therapist	N/A	1.40	\$40.00	\$36.95
Medical Director	N/A	0.05	\$150.00	\$138.40
Respiratory Therapist	N/A	0.50	\$24.00	\$23.80
Total Contractual Positions	N/A	9.95		
Total Staff (A+B+C)	N/A	88.44		

9. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

No more cost effective or efficient options were identified. The current building is 55 years old, and is deficient in many areas. In addition, the facility is in a leased building, making the option of renovating the existing facility impractical and not feasible. Finally, there are overwhelming benefits to relocating the facility to Medina as discussed elsewhere in this application.

Continuing to operate the facility while the new replacement facility is being built was determined to be a potential hazard to frail SNF patients and as such was rejected as an option for that reason. In addition, the proposed replacement facility will be an up-to-date facility, and will provide significantly more private beds than is the case at the current facility. For this reason, the only viable option is to temporarily voluntarily suspend operations while the new replacement facility is sought and built.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

There is no feasible option to new construction. The current building is 55 years old, and is deficient in many areas. In addition, the facility is in a leased building, making the option of renovating the existing facility impractical and not feasible. The only way to achieve a modernized facility is the construction of the new replacement facility.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

- 1. List all existing health care providers (i.e., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, that may directly or indirectly apply to the project, such as, transfer agreements, contractual agreements for health services.**

A list of anticipated providers, vendors, and contractors in the applicant's network is attached as Attachment B, Orderly Development, 1.

- 2. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact to consumers and existing providers in the service area. Discuss any instances of competition and/or duplication arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.**

A. Positive Effects

This project will achieve several positive effects:

1. It will allow the 66 licensed skilled nursing beds to be put back into operation in a modern new facility conveniently located on a major US/State Highway in Gibson County.
2. The replacement facility will bring a much needed new, modern SNF to the area. The current facility where Milan HCC was housed is the oldest in Gibson County, having been built in 1963. The average age of SNF facilities in Gibson County is 33 years.
3. The replacement facility will significantly increase the number of private beds in Gibson County. The old facility has only 6 private beds and 60 semi-private beds. The new replacement facility will have 40 private beds and 26 semi-private beds. County-wide there are only 59 private beds out of a total of 836 licensed beds. Private beds are much preferred by most SNF patients and their families.
4. The relocation from Milan to Medina will result in a needed geographic re-distribution of beds in Gibson County. Medina is by far the area of greatest population growth, experiencing a 38.6% growth in population between 2010 and 2017. Milan is projected to experience a 2% population decrease during this period. There are currently 3 SNFs located in Milan, and none in Medina.
5. The relocation from Milan to Medina in southern-most Gibson County should allow CCC of Medina to capture much of the out-migration to Madison County to the south of Gibson County. In 2016 there was a total of 28% out-migration of SNF patients from Gibson County, and 18% out-migration to Madison County alone. Relocating to Medina and constructing a new modernized facility with ample private beds will stem the out-migration and give Gibson County residents a very attractive and convenient option for skilled nursing care.

B. Negative Effects

The only potential negative aspect of this project is it required the voluntary suspension of operations at the facility pending the construction of the replacement facility. The temporary voluntary suspension of operations was necessary, however, due to the deficient condition of the building and the new operators' concerns about being able to operate the facility and provide the highest quality of care. The proposed replacement facility will be a modern, spacious and conveniently located facility with 40 private beds and 26 semi-private beds.

Although the new replacement facility will re-introduce competition into the market after the voluntary suspension of operations at the former Milan HCC, it provides for healthy competition, and will not be an unnecessary duplication of services.

3. A. Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements and/or requirements of accrediting agencies, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.

The staffing pattern reflected in the response to Section B, Economic Feasibility 8 is compliant with all applicable licensing and accreditation requirements.

B. Verify that the applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

The applicant has reviewed and understands all licensing and/or certification requirements of the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff.

C. Discuss the applicant's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Christian Care Center of Medina supports the development, growth, and diversification of individuals seeking careers in health care and will explore participation in the training of students in the areas of medicine, nursing, social work, etc. through clinical affiliation agreements with:

Bethel University
325 Cherry Street
McKenzie, TN 38201

Freed-Hardeman University
158 East Main Street
Henderson, TN 38340

Jackson State Community College
2046 North Parkway
Jackson, TN 38301

Lane College
545 Lane Avenue
Jackson, TN 38301

- 4. Identify the type of licensure and certification requirements applicable and verify the applicant has reviewed and understands them. Discuss any additional requirements, if applicable. Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.**

Licensure: Tennessee Board for Licensing Healthcare Facilities

Certifications: Medicare and TennCare

Accreditations: Joint Commission

- A. If an existing institution, describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility and accreditation designation.**

A copy of a letter from the Tennessee Department of Health, Office of Health Care facilities acknowledging approval of the license change to CCC of Milan (subsequently renamed CCC of Medina) is attached as Attachment Section B, Orderly Development 4, A.

- B. For existing providers, please provide a copy of the most recent statement of deficiencies/plan of correction and document that all deficiencies/findings have been corrected by providing a letter from the appropriate agency.**

The most recent survey and Statement of Deficiencies, was directed to the previous owner of Milan HCC, and not the applicant. After the CHOW to CCC of Medina, LLC (f/k/a CCC of Milan) the applicant cooperated with the Department Health and submitted a Plan of Correction, essentially on behalf of the previous owner, which was approved by the Department.

The entire Statement of Deficiencies is 342 pages in length. In the interest of brevity, and since the cited deficiencies were in no part attributable to the applicant, a copy is not attached but will be made available if required. A copy of a letter from the Department of Health approving the applicant's Plan of Correction and deeming the facility is compliance is attached as Attachment B, Orderly Development, 4, B.

- C. Document and explain inspections within the last three survey cycles which have resulted in any of the following state, federal, or accrediting body actions: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions.**

- 1) Discuss what measures the applicant has or will put in place to avoid similar findings in the future.**

Please see the immediately preceding response, and the letter accepting the Plan of Correction, attached as Attachment B, Orderly Development, 4, B.

- 5. Respond to all of the following and for such occurrences, identify, explain and provide documentation:**

- A. Has any of the following:**

- 1) Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);
- 2) Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or
- 3) Any physician or other provider of health care, or administrator employed by any entity in which any person(s) or entity with more than 5% ownership in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%.

B. Been subjected to any of the following:

- 1) Final Order or Judgment in a state licensure action;

No

- 2) Criminal fines in cases involving a Federal or State health care offense;

No

- 3) Civil monetary penalties in cases involving a Federal or State health care offense;

No

- 4) Administrative monetary penalties in cases involving a Federal or State health care offense;

No

- 5) Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services; and/or

No

- 6) Suspension or termination of participation in Medicare or Medicaid/TennCare programs.

No

- 7) Is presently subject of/to an investigation, regulatory action, or party in any civil or criminal action of which you are aware.

No

- 8) Is presently subject to a corporate integrity agreement.

No

6. Outstanding Projects:

- A. Complete the following chart by entering information for each applicable outstanding CON by applicant or share common ownership; and

None.

- B. Provide a brief description of the current progress, and status of each applicable outstanding CON.

N/A.

7. Equipment Registry – For the applicant and all entities in common ownership with the applicant.

- A. Do you own, lease, operate, and/or contract with a mobile vendor for a Computed Tomography scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET)? _____

No

- B. If yes, have you submitted their registration to HSDA? If you have, what was the date of submission? _____

N/A

- C. If yes, have you submitted your utilization to Health Services and Development Agency? If you have, what was the date of submission? _____

N/A

QUALITY MEASURES

Please verify that the applicant will report annually using forms prescribed by the Agency concerning continued need and appropriate quality measures as determined by the Agency pertaining to the certificate of need, if approved.

The applicant verifies it will do so.

SECTION C: STATE HEALTH PLAN QUESTIONS

T.C.A. §68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at <http://www.tn.gov/health/topic/health-planning>). The State Health Plan guides the State in the development of health care programs and policies and in the allocation of health care resources in the State, including the Certificate of Need program. The 5 Principles for Achieving Better Health are from the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria.

Discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan.

1. The purpose of the State Health Plan is to improve the health of the people of Tennessee.

This appears to be a policy statement to which no response is necessary.

2. People in Tennessee should have access to health care and the conditions to achieve optimal health.

This project will improve access by making the 66 licensed beds available again after the temporary voluntary suspension of operations in order to construct the replacement facility. It will optimize care by bringing to the market a spacious, modern, conveniently located facility with an ample number of private beds.

3. Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.

The project will improve access to and quality of health care in an economically feasible manner, as reflected in the Projected Data Chart.

4. People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.

The new Christian Care Center of Medina will maintain its licensure with the Tennessee Board for Licensing Health Care Facilities in good standing. It will submit itself to the scrutiny of and be accredited by the Joint Commission, and will be certified by CMS for Medicare participation. It will adhere to the quality monitoring and standards of all such institutions.

5. The state should support the development, recruitment, and retention of a sufficient and quality health workforce.

Christian Care Center of Medina will hire approximately 78 direct and non-direct patient care FTE positions. It will pay competitive salaries and benefits in order to help retain its staff.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent.

The Notice of Intent was published in the Milan Mirror Exchange which is a newspaper of general circulation in Gibson County, Tennessee on February 6, 2018 for one day.

A Publisher's Affidavit is attached following this page.

NOTIFICATION REQUIREMENTS

(Applies only to Nonresidential Substitution-Based Treatment Centers for Opiate Addiction)

Note that T.C.A. §68-11-1607(c)(9)(A) states that "...Within ten (10) days of the filing of an application for a nonresidential substitution-based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution-based treatment center for opiate addiction has been filed with the agency by the applicant."

Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Please provide documentation of these notifications.

N/A

DEVELOPMENT SCHEDULE

T.C.A. §68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

- 1. Complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.**

A completed Project Completion Forecast Chart is attached on the following pages.

2. If the response to the preceding question indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph, please state below any request for an extended schedule and document the “good cause” for such an extension.

N/A. An extended period of validity is not requested.

PUBLICATION AFFIDAVIT

STATE OF TENNESSEE)
COUNTY OF GIBSON)

Notification of Intent to Apply

Personally appeared before me, a Notary Public in and for said County and State Melissa West

Who deposes and swears that she is bookkeeper of the Milan Mirror, a newspaper published in the Town of Milan, Tenn., and that the notice, a copy of which is attached hereto, was published in the said Milan

Mirror for 1 consecutive weeks, the first publication being on the 6 day of

Feb. 20 18; the second publication the _____ day of

_____ 20 _____; the third publication the _____ day of

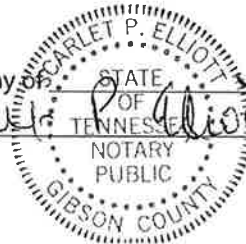
_____ 20 _____, and the fourth publication the _____ day of

_____ 20 _____.

Signed Melissa West

Sworn to and subscribed before me this 6 day of Feb 20 18.

Scarlet P. Elliott, Notary Public



Courthouse Report

Marriage Licenses

Daniel Julian Knowles of Humboldt and Kasey Laquese Brooks of Humboldt
Ricky Dale McCormick of Bradford and Kimberly Denise Nelson Boone of Bradford

Divorces

Rhonda Sue Ramey vs. James Michael Ramey

Real Estate Transfers

Phillip Vanvansway and wife, Leslie Vanvansway to Lail Whitmore and wife, Kelly Whitmore - Medina - \$326,000

Coy L. Hathcock, Cynthia H. Walker and Crystal Lyn McGee to Joseph Cates and wife, Leigh Ann Cates - Bradford - \$170,000

Farm Credit Mid-America, FLCA to Mark Baucum - Kenton - \$7,500

Gregory Ray Samples to Marvin Morgan and wife, Toni Morgan - Trenton - \$27,000

Lisa Woodruff and Daniel Isaac Riddick to Williams Family Farms and Properties, LLC - Gibson County

Ray T. Whitwell and wife, Linda F. Whitwell to Jake Stewart - Milan - \$62,000

Fannie Mae, a/k/a Federal National Mortgage Association, to Antonio D. Pigue - Trenton - \$98,490

Kimberly Ann Lowery, Trustee of the Kai Living Trust, to William H. Little and wife, Leigh Lou Little and Joshua C. Little and wife, Katie H. Little - Bradford - \$860,000

Robert Hickerson and wife, Lorraine Hickerson to Daniel Walter Lynn and wife, Regina Elizabeth Lynn - Milan - \$9,000

Bayview Loan Servicing, LLC to Joseph Brian Moss - Humboldt - \$15,700

Building Permits

Jerald Jewell, 1250A Highway 45 Bypass, Trenton

Stephanie Ulrich, 307 State Route 187, Medina

Cleaverville Tower Company, LLC, 4050 Ellis Street, Milan

Dustin and Caryn Walters, 130 Slim Charlton Road, Bradford

Food Inspections

Children's Learning Center, Humboldt, complete inspection, 100 score

Taco Bell, Humboldt, complete inspection, 98 score

Presbyterian Day School Caf-

eteria, Humboldt, complete inspection, 99 score

C&G Lounge, Milan, complete inspection, 100 score

Humboldt Senior Citizen Center, complete inspection, 99 score

Papa's Pizza To Go, Milan, complete inspection, 98 score

Deerfield Inn Food, Humboldt, complete inspection, 93 score, two criticals

Deerfield Inn Food, Humboldt, follow-up inspection, 100 score

Pizza Hut, Humboldt, complete inspection, 99 score

Emery's Burger Barn, Humboldt, complete inspection, 88 score, three criticals

Kid's Land, complete inspection, 100 score

East End School Cafeteria, Humboldt, complete inspection, 98 score

East End School Cafeteria, Humboldt, follow-up inspection, 100 score

MCLC, Inc., Medina, complete inspection, 98 score

Sonic Drive-In, Medina, complete inspection, 100 score

Little Caesars, Milan, complete inspection, 95 score, one critical

Little Caesars, Milan, follow-up inspection, 100 score

South Gibson County High School Cafeteria, Medina, complete inspection, 100 score

Humboldt Donuts, complete inspection, 99 score

Subway, Humboldt, complete inspection, 95 score, one critical

Humboldt High School Cafeteria, complete inspection, 100 score

Emery's Burger Barn, Humboldt, follow-up inspection, 97 score

Trenton Elementary School Cafeteria, complete inspection, 98 score

Noah's Ark Learning Center, Milan, complete inspection, 99 score

Medina Elementary School Cafeteria, complete inspection, 100 score

Subway, Milan, complete inspection, 99 score

Lee's Famous Chicken, Milan, complete inspection, 95 score, one critical

Lee's Famous Chicken, Milan, follow-up inspection, 100 score

Peabody High School Cafeteria, Trenton, complete inspection, 97 score

Sonic Drive-In, Humboldt, complete inspection, 99 score

NOTICE OF SUBSTITUTE TRUSTEE'S SALE

WHEREAS, default has occurred in the performance of the covenants, terms and conditions of a Deed of Trust dated January 30, 2008, executed by BOB HARRIS AND MARY HARRIS, conveying certain real property therein described to HEATHER LEWIS, as Trustee, as same appears of record in the Register's Office of Gibson County, Tennessee, recorded January 31, 2008, in Deed Book 922, Page 439; and WHEREAS, the beneficial interest of said Deed of Trust was last transferred and assigned to Bayview Loan Servicing, LLC, a Delaware Limited Liability Company who is now the owner of said debt; and WHEREAS, the undersigned, Rubin Lublin, TN, PLLC, having been appointed Substitute Trustee by instrument to be filed for record in the Register's Office of Gibson County, Tennessee. NOW, THEREFORE, notice is hereby given that the entire indebtedness has been declared due and payable, and that the undersigned, Rubin Lublin, TN, PLLC, as Substitute Trustee, or his duly appointed agent, by virtue of the power, duty and authority vested and imposed upon said Substitute Trustee, will, on March 8, 2018 at 10:00 AM at the Main Entrance of the Gibson County Courthouse, located in Trenton, Tennessee, proceed to sell at public outcry to the highest and best bidder for cash or certified funds ONLY, the following described property situated in Gibson County, Tennessee, to-wit: A CERTAIN HOUSE AND LOT IN THE TOWN OF DYER, 21ST CIVIL DISTRICT OF GIBSON COUNTY, TENNESSEE, AND BOUNDED AND DESCRIBED AS FOLLOWS: THIS HOUSE AND LOT IS ON THE WEST SIDE OF U.S. HIGHWAY NO. 45W AND IN THE SECOND WARD OF THE TOWN OF DYER AND BOUNDED ON THE EAST 62 FEET ON U.S. HIGHWAY NO. 45W TO CUMBERLAND CHURCH LOT, THENCE ON THE SOUTH BY ADA HOPPER; RUNNING WEST 165 FEET TO R.R. DAVIDSON LOT; THENCE NORTH 62 FEET TO FARMERS LINE AND CUMBERLAND CHURCH LOT; THENCE EAST WITH SAID CUMBERLAND CHURCH LOT 165 FEET; THENCE SOUTH WITH U.S. HIGHWAY NO. 45W 62 FEET TO THE BEGINNING; AND CONTAINING BY ESTIMATION TO BE 1/2 ACRE MORE OR LESS. Parcel ID: 047N B 00900 000221 PROPERTY ADDRESS: The street address of the property is believed to be 496 MAIN ST, DYER, TN 38330. In the event of any discrepancy between this street address and the legal description of the property, the legal description shall control. CURRENT OWNER(S): ESTATE AND/OR HEIRS AT LAW OF BOB HARRIS AND ESTATE AND/OR HEIRS AT LAW OF MARY HARRIS, BOBBY KEITH HARRIS, WILLIE MAE HARRIS-OTTER. INTERESTED PARTIES: The sale of the above-described property shall be subject to all matters shown on any recorded plat; any unpaid taxes; any restrictive covenants, easements or set-back lines that may be applicable; any prior liens or encumbrances as well as any priority created by a fixture filing; and to any matter that an accurate survey of the premises might disclose. This property is being sold with the express reservation that it is subject to condemnation by the lender or Substitute Trustee. This sale may be rescinded at any time. The right is reserved to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above. All right and equity of redemption, statutory or otherwise, is expressly waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee. The Property is sold as is, where is, without representations or warranties of any kind, including fitness for a particular use or purpose. THIS LAW FIRM IS ATTEMPTING TO COLLECT A DEBT. ANY DEBTOR WHO OWES A DEBT TO THE CREDITORS OF THIS FIRM WILL BE USED FOR THAT PURPOSE. Rubin Lublin, TN, PLLC, Substitute Trustee 119 S. Main Street, Suite 500 Memphis, TN 38103 www.rublinlublin.com/property-listings.php Tel: (877) 813-0992 Fax: (404) 601-5846 Ad #131466 02/06/2018, 02/13/2018, 02/20/2018

SUBSTITUTE TRUSTEE'S SALE

Sale at public auction will be on March 7, 2018 at or about 1:00PM local time, at the South door, Gibson County Courthouse, Trenton, Tennessee, conducted by the Substitute Trustee as identified and set forth herein below, pursuant to Deed of Trust executed by JENINE PATRICK, to Emmett James House or Bill R. McLaughlin, Trustee, on March 11, 2004, a Record Book 793, Page 168 in the real property records of Gibson County Register's Office, Tennessee.

The following real estate located in Gibson County, Tennessee, will be sold to the highest call bidder subject to all unpaid taxes, prior liens and encumbrances of record:

Beginning at a stake in the center of the Old Cades and Trenton gravel road and in the west margin of Willie Howell's new private road and originally in the Old Cades to Trenton Road, thence North with the west margin of said road; runs thence North with the west margin of 207 feet to a stake in the Cades Trenton gravel road; thence with the center of said road South 52 degrees East 174 feet to the point of beginning. Source of description being prior deed.

This tract contains the same property conveyed to Jenine Patrick by warranty deed dated March 12, 2004 in ORBV 793, page 166, in the Register's Office of Gibson County, Tennessee.

Map 106 Parcel 32. Property Address: 14 Cades Loop Rd, Trenton, TN 38382

Tax ID: 106-00-00

Current Owner(s) of Property: JENINE PATRICK

The street address of the above described property is believed to be 14 Cades Loop Rd, Trenton, TN 38382, but such address is not part of the legal description of the property sold herein and in the event of any discrepancy, the legal description referenced herein shall control.

SALE IS SUBJECT TO OCCUPANT(S) RIGHTS IN POSSESSION.

THE RIGHT IS RESERVED TO ADJOURN THE DAY OF

PUBLIC NOTICES

THE SALE TO ANOTHER DAY, TIME AND PLACE BY CERTAIN WITHOUT FURTHER PUBLICATION, UPON ANNOUNCEMENT AT THE TIME AND PLACE FOR THE SALE SET FORTH ABOVE. THE TERMS OF SALE ARE CASH, ANY TAXES OR FEES WILL BE THE RESPONSIBILITY OF THE PURCHASER. IF THE SALE IS SET ASIDE FOR ANY REASON, THE PURCHASER AT THE SALE SHALL BE ENTITLED TO THE RETURN OF THE PURCHASE PRICE, THE PURCHASER SHALL HAVE NO FURTHER RECOURSE AGAINST THE GRANTOR, THE GRANTEE, OR THE TRUSTEE.

OTHER INTERESTED PARTIES: None

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

If applicable, the notice requirements of T.C.A. 35-5-101 have been met.

All right of equity of redemption, statutory and otherwise, and homestead are expressly waived in said Deed of Trust, but the undersigned will sell and convey only as Substitute Trustee.

Other interested parties (ies): None

Parcel ID: MAP: 061E; GRP: A; CTRL: MAP: 061F

Parcel: 0609.00

SUBJECT TO RESTRICTIONS, RESERVATIONS, EASEMENTS, COVENANTS, OIL, GAS OR MINERAL RIGHTS OF RECORD, IF ANY.

BEING THE SAME PREMISES CONVEYED TO JACKIE R. SKELTON FROM GINA C. SKELTON NOW GINA HUGGINS BY QUIT CLAIM DEED DATED 12/01/2004, AND RECORDED ON 01/04/2005 AT BOOK 835, PAGE 544, IN GIBSON COUNTY, TN.

Parcel ID Number: 061F A 061E 009.00

Address/Description: 174 Elm Street, Dyer, TN 38330.

Current Owner(s): The Estate of Jackie R. Skelton.

Other interested party(ies): Regions Bank, Inc.

The sale of the property described above shall be subject to all matters shown on any recorded plat; any and all liens against said property for unpaid property taxes; any restrictive covenants, easements or set-back lines that may be applicable; any prior liens or encumbrances as well as any priority created by a fixture filing; a deed of trust; and any matter that an accurate survey of the premises might disclose.

All right and equity of redemption, statutory or otherwise, homestead, and dower are expressly waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee. The right of recovery to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above.

This office is attempting to collect a debt. Any information obtained will be used for that purpose.

Brock & Scott, PLLC, Substitute Trustee

c/o Tennessee Foreclosure Department

4360 Chamblée Dunwoody Road, Ste. 310

Atlanta, GA 30341

PH: 404-789-2661 FX: 404-294-0919

File No.: 17-19721 FCO1

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

39-36

MEDICAL RECEPTIONIST POSITION

Front office medical receptionist position with some billing and authorization demands.

Immediately available in one-therapist outpatient therapy office in Jackson.

Administrative experience preferred, but will train quality applicant.

Applicants may fax resume to 731-661-9533

or email to admin@southernhand.com

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all Interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Christian Care Center of Medina, LLC, a Tennessee Limited Liability Company which will have a management consulting agreement with Care Centers Management Consulting, Inc., intends to file an application for a Certificate of Need for the relocation of Christian Care Center of Medina, f/k/a Milan Health Care Center and the construction of a replacement facility. The facility is currently located at 8060 Stinson Road, Milan, Gibson County, Tennessee. The location for the proposed replacement facility is an undeveloped site on State Highway 45E and Sonic Drive in or near the city limits of Medina, Gibson County, Tennessee. The facility is currently licensed for 66 skilled nursing beds by the Tennessee Board for Licensing Health Care Facilities, and the beds and facility will retain this licensure status. No new services are being initiated, and no additional beds are sought. The total estimated project cost is \$10,200,000.00.

The anticipated date of filing the application is February 6, 2018.

The contact person for this project is Jerry W. Taylor, Attorney, who may be reached at Burr & Forman, LLP, 222 Second Avenue South, Suite 2000, Nashville, TN 37201.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and Development Agency
Andrew Jackson Building
502 Deaderick Street, 9th Floor
Nashville, Tennessee 37243

Pursuant to T.C.A. § 68-11-1609(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

PRODUCTION 2ND SHIFT
Some Heavy Lifting
Trenton Area
Pay \$13.00/HR
Call Now
Express
EMPLOYMENT PROFESSIONALS
107 22nd Ave
Humboldt
Call 731-784-6500

MACHINE OPERATORS
Manufacturing Exp.
Needed
1st & 2nd shifts
Covington area
Immediate Openings
Express
EMPLOYMENT PROFESSIONALS
Call Now! 107 22nd Ave
Humboldt
Call 731-784-6500

PRODUCTION
LIGHT PRODUCTION
2nd & 3rd shifts
Immediate Openings
Apply Now
Express
EMPLOYMENT PROFESSIONALS
107 22nd Ave
Humboldt
Call 731-784-6500

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1. below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

<u>Phase</u>	<u>Days Required</u>	<u>Anticipated Date (Month/Year)</u>
1. Initial HSDA decision date	*	June 2018
2. Architectural and engineering contract signed	0	July 2018
3. Construction documents approved by the Tennessee Department of Health	150	December 2018
4. Construction contract signed	150	December 2018
5. Building permit secured	180	January 2019
6. Site preparation completed	270	April 2019
7. Building construction commenced	300	May 2019
8. Construction 40% complete	390	August 2019
9. Construction 80% complete	510	November 2019
10. Construction 100% complete	660	April 2020
11. *Issuance of License	690	May 2020
12. *Issuance of Service	720	June 2020
13. Final Architectural Certification of Payment	750	July 2020
14. Final Project Report Form Submitted (Form HR0055)	780	August 2020

***For projects that DO NOT involve construction or renovation, complete Items 11 & 12 only.**

NOTE: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

LIST OF ATTACHMENTS

Table of Contents of the QAPI	<u>Attachment Section A, B (3)</u>
Organizational documentation	<u>Attachment Section A-4, A</u>
Ownership chart	<u>Attachment Section A-4, B</u>
Draft management consulting agreement	<u>Attachment Section A-5</u>
Real Estate Purchase Agreement and Lease	<u>Attachment Section A-6, A</u>
Plot plan	<u>Attachment A-6 B, 1</u>
Floor plan	<u>Attachment A-6 B, 2</u>
Occupancy data Gibson County SNFs	<u>Attachment Section B, Need, 1, (1)</u>
Population and Demographics Table	<u>Attachment Section B, Need, 4 A</u>
Architect Letter	<u>Attachment Section B, Economic Feasibility, 1</u>
Funding Letters	<u>Attachment Section B, Economic Feasibility, 2</u>
Providers, vendors, and contractors	<u>Attachment Section B, Orderly Development, 1</u>
License Approval	<u>Attachment Section B, Orderly Development 4, A</u>
Plan of Correction Approval Letter	<u>Attachment B, Orderly Development, 4, B</u>

QUALITY ASSURANCE PERFORMANCE IMPROVEMENT MANUAL

Table of Contents for Quality Assurance Performance Improvement

<u>Section</u>	<u>Page</u>
P. I. Policy	1.1
Accountability and Authority.....	1.2
Frequency.....	1.2
Implementation.....	1.3
Indicators.....	1.2
Monitoring.....	1.4
Objectives.....	1.1
Organization.....	1.1
Plan of Correction.....	1.4
Time Frames.....	1.5
 Section I	
Goals of a Performance Improvement Program.....	1.2
History of P. I. Programs in Long Term Care.....	1.1
Major Components of a P. I. Program.....	1.3
Quality Assurance Performance Improvement Description & Background.....	1.6
 Section II	
The Quality Assurance Performance Improvement Plan.....	2.1
Plan Introduction and Overview.....	2.1
Responsibility for the QAPI Plan.....	2.1
Department Heads.....	2.3
Thresholds.....	2.3
Tracking and Trending.....	2.4
Corrective Action.....	2.4
 Section III	
The Quality Assurance Performance Improvement Committee.....	3.1
QAPI Committee (Composition and Responsibilities).....	3.1
QAPI Sub-Committees.....	3.1
Committee Meetings.....	3.2
Minutes.....	3.2
 Section IV	
Designing a P.I. Monitoring Tool.....	4.1
Identifying Quality Concern.....	4.1
Collecting Data Once Concern is Identified.....	4.1
Creating a Check Sheet.....	4.1
Frequency and Length of Audits.....	4.3

Table of Contents for Quality Assurance Performance Improvement (Cont'd.)

<u>Section</u>	<u>Page</u>
Section V	
The Performance Improvement Project.....	5.1
Collecting and Evaluating Data	5.1
Goal Setting	5.1
Documentation.....	5.2
Reporting Results and Initiating Change.....	5.2
Goal Setting Worksheet	
Analysis Sheets and Examples	
QAPI Action Plan.....	
Section VI	
P. I. Audit Frequency Guide	0.1
Summary of PI Monitor Results.....	0.2
Audit form (blank)	after 0.2
Activities Program Audit.....	1.1
Clinical Records Audit.....	26.1
Dehydration Audit	2.1
Dental Care/Services Audit	3.1
Dignity and Privacy Audit.....	4.1
Fecal Impaction Audit	5.1
Human Resources Personnel Audit	6.1
Indwelling Urinary Catheters Audit	7.1
Infection Control Audit	8.1
Maintenance Services Audit.....	9.1
Medication Use Audit.....	10.1
MRSA Local Risk Assessment Protocol.....	8.6
MRSA Risk Assessment Audit	8.4
MRSA Risk Assessment Policy	29.1
Nursing Staffing Level Audit	11.1
OSHA Preparedness Audit.....	25.1
Performance Improvement & Improvement Services Audit.....	27.1
Physician Services Audit	12.1
Pressure Ulcer Audit.....	13.1
Psychotropic Medications Audit.....	14.1
Resident Accident/Incident/Injury Audit.....	15.1
Resident Behavior Pattern Audit	16.1
Resident Care Record Policy and Form QA-2	28.1
Resident Depression Management Audit.....	17.1

Table of Contents
for
Quality Assurance Performance Improvement
(Cont'd.)

Section VI (Cont'd.)

Resident Physical Functioning Audit	18.1
Resident Restraint Audit	19.1
Rooms and Common Areas Audit	20.1
Summary of P. I. Monitor Results	0.2
Toileting Audit	21.1
Tube Feeding Audit	22.1
Vision Care Audit	23.1
Weight Loss Audit	24.1



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **Christian Care Center of Medina, LLC**

General Information

SOS Control #	000911926	Formation Locale:	TENNESSEE
Filing Type:	Limited Liability Company - Domestic	Date Formed:	07/06/2017
	07/06/2017 1:38 PM	Fiscal Year Close	12
Status:	Active	Member Count:	1
Duration Term:	Perpetual		
Managed By:	Member Managed		

Registered Agent Address

Christian Care Center of Medina, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

Principal Address

RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
01/17/2018	Articles of Amendment	B0478-1323
Filing Name Changed From: CHRISTIAN CARE CENTER OF MILAN, LLC To: Christian Care Center of Medina, LLC		
Registered Agent Organization Name Changed From: CHRISTIAN CARE CENTER OF MILAN, LLC To: CHRISTIAN CARE CENTER OF MEDINA, LLC		
07/06/2017	Initial Filing	B0416-1023

Active Assumed Names (if any)	Date	Expires
-------------------------------	------	---------



Tre Hargett
Secretary of State

Division of Business Services
Department of State

State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

CHRISTIAN CARE CENTER OF MILAN, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

July 6, 2017

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

SOS Control # :	000911926	Formation Locale: TENNESSEE
Filing Type:	Limited Liability Company - Domestic	Date Formed: 07/06/2017
Filing Date:	07/06/2017 1:38 PM	Fiscal Year Close: 12
Status:	Active	Annual Report Due: 04/01/2018
Duration Term:	Perpetual	Image # : B0416-1023
Managed By:	Member Managed	
Business County:	WASHINGTON COUNTY	

Document Receipt

Receipt # : 003466243	Filing Fee: \$300.00
Payment-Credit Card - State Payment Center - CC #: 3706239020	\$300.00

Registered Agent Address:
CHRISTIAN CARE CENTER OF MILAN, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

Principal Address:
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

Congratulations on the successful filing of your **Articles of Organization** for **CHRISTIAN CARE CENTER OF MILAN, LLC** in the State of Tennessee which is effective on the date shown above. You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee. Please visit the Tennessee Department of Revenue website (apps.tn.gov/bizreg) to determine your online tax registration requirements. If you need to obtain a Certificate of Existence for this entity, you can request, pay for, and receive it from our website.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett
Secretary of State



000911926

**ARTICLES OF ORGANIZATION
LIMITED LIABILITY COMPANY**

SS-4270

**Tre Hargett**
Secretary of State**Division of Business Services
Department of State
State of Tennessee**
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102
(615) 741-2286Filing Fee: \$50.00 per member
(minimum fee = \$300.00, maximum fee = \$3,000.00)*For Office Use Only*
-FILED-
Control # 000911926**The Articles of Organization presented herein are adopted in accordance with the provisions of the Tennessee Revised Limited Liability Company Act.****1. The name of the Limited Liability Company is:** CHRISTIAN CARE CENTER OF MILAN, LLC

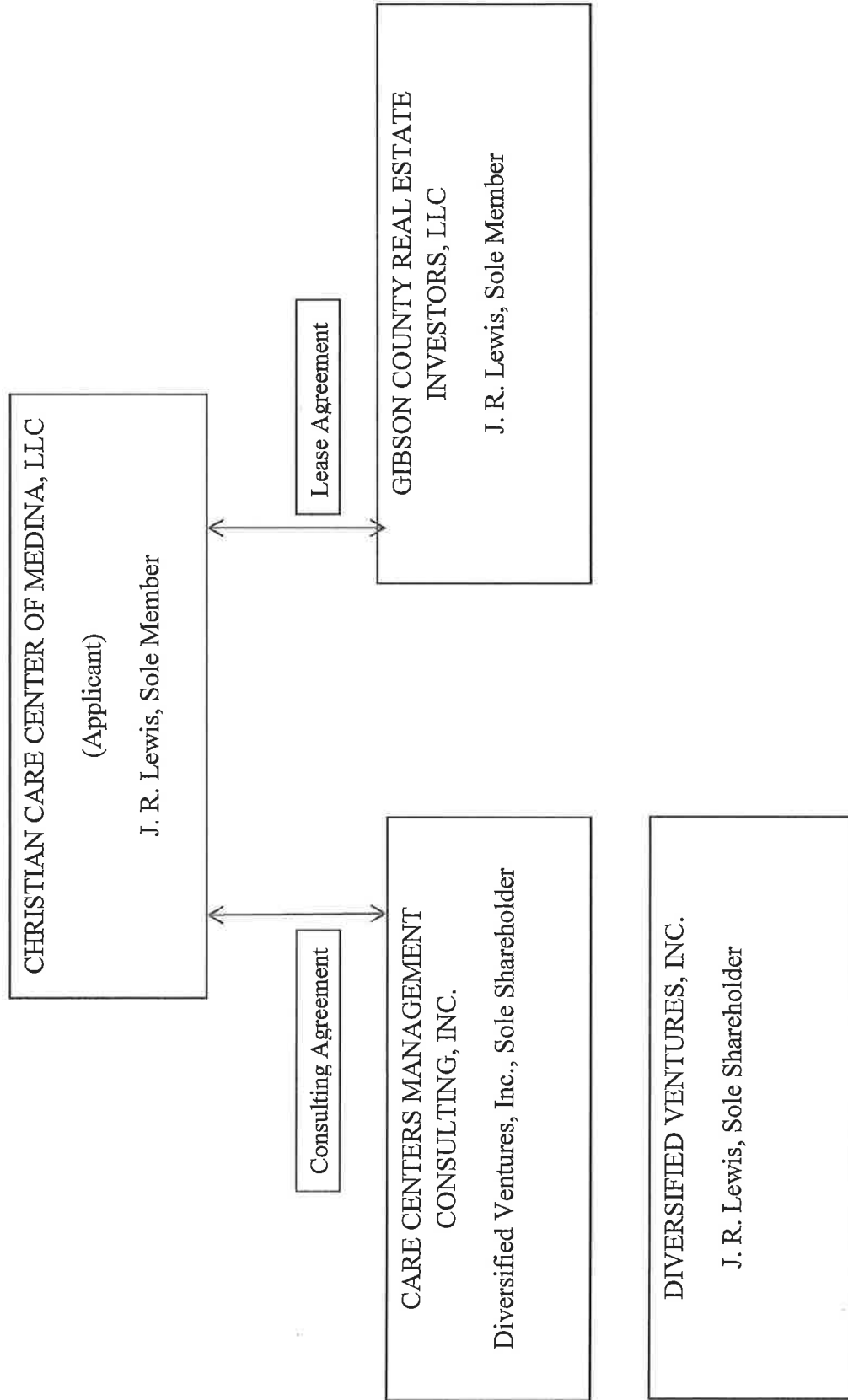
(Note: Pursuant to the provisions of T.C.A. §48-249-106, each Limited Liability Company name must contain the words "Limited Liability Company" or the abbreviation "LLC" or "L.L.C.")

2. Name Consent: (Written Consent for Use of Indistinguishable Name)☐ This entity name already exists in Tennessee and has received name consent from the existing entity.**3. This company has the additional designation of:** None**4. The name and complete address of the Limited Liability Company's initial registered agent and office located in the state of Tennessee is:**CHRISTIAN CARE CENTER OF MILAN, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127
WASHINGTON COUNTY**5. Fiscal Year Close Month:** December**6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:**
(none) (Not to exceed 90 days)**7. The Limited Liability Company will be:**☒ Member Managed ☐ Manager Managed ☐ Director Managed**8. Number of Members at the date of filing:** 1**9. Period of Duration:** Perpetual**10. The complete address of the Limited Liability Company's principal executive office is:**RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127
WASHINGTON COUNTY

B0416-1023 07/06/2017 1:38 PM Received by Tennessee Secretary of State Tre Hargett

CHRISTIAN CARE CENTER OF MEDINA

OWNERSHIP CHART



**MANAGEMENT CONSULTING
AND SERVICES AGREEMENT**

THIS MANAGEMENT CONSULTING AND SERVICES AGREEMENT ("Agreement") is made and entered into as of the Effective Date by and between CHRISTIAN CARE CENTER OF MILAN, LLC, a Tennessee limited liability company, having a mailing address of 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604 ("Owner"), and CARE CENTERS MANAGEMENT CONSULTING, INC., a Tennessee corporation, having an office at 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604 ("Management Consultant").

WITNESSETH:

WHEREAS, Owner has entered into a lease to operate a 66-bed nursing home located at 8060 Stinson Road, Milan, Tennessee 38358, as shown on Exhibit A, for Owner to own and operate; and

WHEREAS, Owner desires to engage Management Consultant to provide consulting and other services in furtherance of Project operations, subject to the terms and provisions of this Agreement, and Management Consultant agrees to perform the services provided for herein.

NOW THEREFORE, for and in consideration of the foregoing premises, the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

When used in this Agreement, the following words or terms shall have the following definitions:

1.1 "Effective Date" means the date on which Owner commences its operation of the leased Nursing Home.

1.2 "Fiscal Year" means a year, commencing January 1, and ending December 31, except that the first Fiscal Year shall be that period commencing on the Effective Date and ending on the next succeeding December 31.

1.3 "Management Consultant Affiliate" means any entity to which Management Consultant is related via common ownership and/or control.

1.4 "Improvements" means Owner's leased Nursing Home and all other leased structural improvements situated on the Land.

1.5 "Land" means Owner's leased tract of land located as shown on Exhibit A.

1.6 "Nursing Home" means Owner's leased nursing home located on the Land.

1.7 "Operating Plan" means the broad plan of Project operation including, but not limited to, all systems, methods, policies, procedures, job descriptions, salaries, wages, benefits, budget guidelines and parameters, forms, manuals, internal controls, quality assurance programs, compliance programs, and insurance programs utilized by Owner in its operation of the Project. The Operating Plan shall be prepared by Management Consultant and recommended to Owner via communication of same to Owner's Administrator. The Operating Plan shall at all times belong to Owner, and it will be the sole responsibility of Owner's Administrator to evaluate and implement the Operating Plan.

1.8 "Patients" means the residents of Owner's Nursing Home.

1.9 "Project" means Owner's Land, Owner's Improvements, and Owner's Nursing Home operation.

1.10 "Project Expenses" means all Project-related expenses, costs, and charges of every kind and nature incurred in connection with the operation and maintenance of the Project. All Project Expenses shall be and remain the sole responsibility of Owner.

1.11 "Project Income" means, with respect to a specific period of time, Owner's revenues from all sources in connection with the operation of the Project. Project Income shall not include or mean (i) capital contributions of Owner, (ii) non-Patient-services-related insurance proceeds (however, business interruption insurance proceeds shall be included in "Project Income"), (iii) tax refunds, (iv) condemnation proceeds or awards, or (v) amounts collected from Patients as security deposits, if any, except to the extent those security deposits are actually applied against the payments owed to the Nursing Home.

1.12 "Salaries and Benefits" means all of the Project's salaries, wages, bonuses, and other direct compensation, group life, accident, disability, medical and health insurance, pension plans, social security payments, payroll and other employee taxes, worker's compensation payments, employer's contribution to F.I.C.A., unemployment compensation, and similar so-called fringe benefits.

1.13 "Administrator" means the individual charged by Owner with the responsibility of administration and management of the Nursing Home. The Administrator shall be an employee of Owner, shall be licensed pursuant to Tennessee law, and shall be the executive delegated the responsibility by Owner to directly interact with and to evaluate and implement the recommendations from Management Consultant.

1.14 "Service Center Expenses" means those expenses associated with the performance, at a central location, of certain services, including, without limitation, human resource services, billing and disbursement services, legal services, risk management services, executive direct care coordinator services, marketing services, information technology services and plant maintenance consulting services, performed either by Management Consultant or a Management Consultant Affiliate subcontracted to perform such services (the "Service Center"). The Service Center directly incurs, on behalf of several facilities, the direct costs and related overhead expenses associated with the above services and each month bills each facility its pro-rata share of such costs and expenses based on the facility's patient days.

When used in this Agreement, the words and terms for which definitions are specified in the introductory paragraph of this Agreement and in the further Articles of this Agreement shall have the definitions respectively therein ascribed to them.

ARTICLE II

RELATIONSHIP OF PARTIES

2.1 Status of Management Consultant. It is expressly acknowledged by the Parties that Management Consultant is an independent contractor, and nothing contained in this Agreement is intended or shall be construed (a) to create a partnership or joint venture between the Parties, or any affiliate, employee, officer, agent, or associate of any of the Parties, (b) to cause Management Consultant or any affiliate, employee, agent, or associate of Management Consultant to be responsible in any way for the Owner's and Project's debts, liabilities, responsibilities, duties or obligations of the other Party, or (c) to constitute an employer-employee relationship between the Parties. In the event the Internal Revenue Service should question or challenge the independent contractor status of Management Consultant, the Parties mutually agree that Management Consultant and Owner shall have the right to participate in any discussion or negotiation occurring with the Internal Revenue Service, irrespective of whom or by whom those discussions or negotiations are initiated.

2.2 Clarification of Management Consultant's Services. The parties hereto hereby acknowledge and understand that Management Consultant's role is to make recommendations to Owner on matters pertaining to its business via its direct interaction and communication with the Administrator. The parties further understand and acknowledge that:

(a) Patient Services. Management Consultant is not a "management company" as defined by any form(s) issued by any regulatory or other governing entity as in effect on the Effective Date, and Owner retains ultimate legal responsibility for operation of the Nursing Home, even if said form(s) incorrectly identifies Management Consultant as a "management company." Management Consultant will not provide Patient services, and in no way and under no circumstances shall Management Consultant be held responsible for the quantity and/or quality of said Patient services provided by Owner. All Patient services shall be provided under the authority of the Administrator solely by Owner's employees and contracted service providers (excluding Management Consultant), and the responsibility for same shall rest with Owner's employed/engaged staff and contractors as overseen and directed by the Administrator.

(b) Owner's Employees. Management Consultant shall have direct interaction and communication with Owner's Administrator but shall not be expected to directly or indirectly supervise Owner's services providing staff. Owner shall be responsible for, and Management Consultant shall be prohibited from, making employment-related decisions relating to Owner's employees, but Management Consultant shall make recommendations pertaining thereto to the Owner through Owner's Administrator.

(c) Commencement of Services. Management Consultant shall begin providing services when this Agreement becomes effective and shall continue to provide services through termination of the Agreement for whatever reason.

(d) Cooperation in Litigation. In the event that an action is brought, whether

by an employee, a Patient, a Patient's estate or representative, or a governmental agency for acts or omissions pertaining to the operations of the Nursing Home, which action names Management Consultant, a Management Consultant Affiliate, and/or any of their stockholders, directors, members, officers, employees, and/or other agents as a defendant, Owner agrees to cooperate with Management Consultant in Management Consultant's motion to dismiss the action as to Management Consultant on the ground that Management Consultant does not manage or control Owner, any of Owner's employees, the operations of the Nursing Home, or any services provided by Owner to Patients, and Owner shall provide, in support of such motion to dismiss, an affidavit stating that Management Consultant neither manages nor controls, in any manner or to any degree, Owner, any of Owner's employees, the operations of the Nursing Home, or any services provided by Owner to Patients. Owner hereby waives any right it may have, if any, that pursuing such motion to dismiss presents a conflict of interest for Management Consultant.

(e) Scope of Services. The scope of the services provided by Management Consultant shall be defined only by the terms and provisions of this Agreement, and the choice of Owner, of any of Owner's other consultants, or of any of Owner's principals, employees, or other agents to act or not act in any given situation relating to the operation of the Nursing Home shall not have the effect of increasing, expanding, or otherwise amplifying the obligations of Management Consultant as embodied in this Agreement.

2.3 Indemnity. Management Consultant and Owner shall each be responsible for their own acts and omissions in the performance of their duties hereunder and the acts and omissions of their own employees and agents, and shall indemnify and hold harmless the other party from and against any and all claims, liabilities, causes of action, losses, costs, damages, and expenses (including reasonable attorney's fees) incurred by the other party as a result of such acts or omissions. Such responsibilities shall be defined strictly by and limited to the terms of this Agreement.

ARTICLE III

AUTHORIZATION OF MANAGEMENT CONSULTANT SERVICES

3.1 Administrative Services. Management Consultant is authorized, in accordance with the Operating Plan, to provide the following administrative services for Owner:

(a) Service Contracts. Management Consultant shall (i) enter Owner into or renew, in the name of and at the expense of Owner, contracts ("Service Contracts") for electricity, gas, water, telephone, cleaning, fuel oil, elevator maintenance, vermin extermination, trash removal, linen service, and other services that in the opinion of Management Consultant are needed by Owner in the ordinary course of the operation of the Project; (ii) purchase, in the name of and at the expense of Owner, all supplies and equipment that in the opinion of Management Consultant are necessary to maintain and so operate the Project; and (iii) credit to Owner any discounts, rebates, or commissions obtained for purchases or otherwise. Prior approval by Owner is not required for any new Service Contract with a term of one (1) year or less and/or that provides for termination by Owner (without the payment of premium or penalty) upon ninety (90) days' or less written notice. The Administrator shall be responsible for the day to day supervision of all Service Contract services.

(b) Maintenance and Repair. Management Consultant shall maintain or cause to be maintained, both at Owner's expense, the Improvements and grounds of the Project. Such maintenance shall include, without limitation, interior and exterior cleaning, painting, decorating, plumbing, carpentry, and other normal maintenance and repair work.

(c) Collection. Management Consultant shall assist facility staff in their efforts to request, demand, collect, and receive all charges due from Patients and otherwise due Owner with respect to the Project.

(d) Project Expenses; Mortgage Loans. Management Consultant shall, utilizing Owner's funds and at Owner's expense, pay all Project Expenses, if reasonably possible, on or before the date (the "Due Date") after which interest or penalty will begin to accrue thereon; provided, however, that Management Consultant shall be further authorized to contest, if and to the extent appropriate, the payment of any Project Expense (or portion thereof) that Management Consultant has reasonable grounds to believe on the basis of the facts and information actually known to Management Consultant should be contested. Contest expenses shall be included as Project Expenses. Any interest or penalty that accrues and may thereafter become payable with respect to such Project Expense shall itself be a Project Expense regardless of cause.

(e) Reports. Management Consultant shall, as soon as reasonable and practicable each month, render to the Administrator and to any other person or entity designated by Owner a statement of income and expenses showing the results of operation of the Nursing Home for the preceding month and of the Fiscal Year to date. As soon as reasonable and practicable after the end of each Fiscal Year, Management Consultant shall deliver to Owner profit and loss statements showing Project Income, Project Expense, the results of operations for that Fiscal Year, and a balance sheet of the Project as of the end of that Fiscal Year, prepared on an accrual basis in accordance with generally accepted accounting principles consistently applied. All such monthly reports shall be in the format normally utilized by Management Consultant. If so instructed by Owner, Management Consultant shall, at Owner's expense, have prepared and delivered to Owner audited financial statements within one hundred and eighty (180) days after the close of each Fiscal Year. Management Consultant shall, upon reasonable notice from Owner, prepare and submit to Owner such other reports, certificates, or representations as Owner may reasonably request concerning such matters relating to the Project as are within the scope of Management Consultant's services provided for in this Agreement. If any such additional reports or alternate report formats requested by Owner require, in Management Consultant's sole discretion, Management Consultant to engage auditors or other professionals to assist Management Consultant in designing or preparing such report, or require, in Management Consultant's sole discretion, Management Consultant's employees to expend substantial amounts of additional time designing or preparing such report, then Owner shall promptly reimburse Management Consultant for the reasonable actual cost to Management Consultant of engaging such consultants, auditors, or other professionals, or of such time expended by Management Consultant's employees.

(f) Records. Management Consultant shall, at Owner's expense, maintain, at the address for Management Consultant provided for in Section 10.2 of this Agreement, or such other place or places as Management Consultant may deem appropriate, a system of office records, books, and accounts, including, without limitation, copies of all reports filed pursuant to subsection (e) above and any additional information or records reasonably required by Owner for the preparation of federal, state, and local tax returns, all in a manner reasonably satisfactory to Owner. Owner and others designated by Owner, including Owner's auditors and accountants, shall have, upon reasonable notice

to Management Consultant and during normal business hours, access to and the right to audit and make copies of such records, accounts, books, and all vouchers, files, and other material pertaining to the Project and this Agreement, all of which Management Consultant shall take reasonable steps to keep safe and available to Management Consultant and Owner and all of which shall be owned by Owner and stored at Owner's expense of storage space.

(g) Legal Proceedings. Management Consultant shall arrange for the institution, prosecution, and/or defense of, in the name and at the expense of Owner, such actions and proceedings necessary to effect the purposes, perform the services, and take the actions contemplated by this Agreement, including without limitation, actions (i) to evict Patients in default; (ii) to recover possession of rooms occupied by such Patients; (iii) to sue for and recover charges and other damages due from Patients and Residents and other persons obligated to Owner or Management Consultant in connection with the Project; (iv) to settle, compromise, and release any such actions or suits or reinstate such Patients; and (v) sign and serve in the name of Owner notices and other communications relating to any of the foregoing matters.

(h) Process Insurance Claims. Management Consultant shall, at Owner's expense, process or cause to be processed all claims under any insurance coverages pertaining to the Project in an expeditious manner, so as to minimize delay in receipt by the Project of the proceeds of such insurance.

(i) Maintenance of Licenses. Management Consultant shall assist Owner and Owner's staff in obtaining and maintaining all licenses, certifications, and permits required for operation of the Project, such as contracts with fiscal intermediaries and agencies and eligibility for participation in medical reimbursement programs. All licenses, certificates, and permits shall be obtained and maintained in the name and at the expense of the Owner. All cost and other reports prepared shall be an expense of Owner.

(j) Reimbursement Schedules. Management Consultant shall, at Owner's expense, (i) develop price and reimbursement schedules; (ii) obtain approval of appropriate price schedules by government agencies and appropriate reimbursement schedules from third-party paying agencies; (iii) provide statistical, financial, and other data necessary to obtain reimbursement from the appropriate agencies; and (iv) effect final settlement of all claims for reimbursement.

3.2 Quality Assurance Consulting Services. Management Consultant shall consult periodically with the Administrator and other department heads of the Nursing Home to develop and maintain quality assurance policies and procedures for the Nursing Home. The quality assurance policies and procedures developed by the Management Consultant shall be provided to the Administrator for implementation at the Nursing Home. Notwithstanding the foregoing, Management Consultant shall not be responsible for implementation of, or adherence to, such policies and procedures by the Administrator, department heads, or other employees of the Nursing Home.

3.3 Extraordinary Services. Whenever Owner reasonably determines that a service not included in the basic services required to be rendered by Management Consultant pursuant to the Agreement (and not constituting an emergency) is necessary or desirable for the efficient operation of the Nursing Home (collectively, the "Extraordinary Services"), Owner may request that Management Consultant perform the Extraordinary Services in accordance with directions of Owner as to the

performance thereof and the amount to be expended by Owner therefor. Extraordinary Services may include:

(a) Major Repairs. Coordination and supervision of out of the ordinary major repairs, replacements, and alterations to the Nursing Home.

(b) Compliance with Legal Requirements. Consultation regarding the Nursing Home's compliance with any and all orders or requirements affecting the Project by any federal, state, county, municipal, or other governmental authority having jurisdiction thereover.

(c) Tax Abatement and Eminent Domain. Consultation regarding the negotiation or prosecution by Owner of claims for the abatement of property and other taxes affecting the Nursing Home and for awards for taking by eminent domain affecting the Nursing Home.

(d) General. Performance of any other services, acts, items, or matters relating to or affecting the Nursing Home that are or may be desirable or necessary for the efficient operation thereof and that are not otherwise included within the services required by this Agreement.

3.4 Expense of Owner. All Project Expenses shall be the sole obligation of Owner, including, but not limited to, expenses incurred by Management Consultant and/or a Management Consultant Affiliate in good faith expectation of reimbursement from Owner. Notwithstanding any other provision of this Agreement to the contrary, Management Consultant shall not be obligated to make any advance to or for the account of Owner or to pay any sums, except out of Owner's funds held in any Owner account maintained under Article VI, nor shall Management Consultant be obligated to incur any liability or obligation for the account of Owner.

ARTICLE IV

INSURANCE

4.1 Owner's Insurance. Management Consultant is authorized to use reasonable efforts to obtain in Owner's name, and naming Management Consultant as additional insured, and all policies at Owner's expense, and, if reasonably available, keep in force during the term of this Agreement, as close as reasonably possible the following configuration of insurance coverages:

(a) comprehensive general liability and medical malpractice insurance, with broad form comprehensive endorsement, protecting and indemnifying Owner against claims for injury to or death of persons or damage to or destruction of property occurring upon, in, or about the Project and the adjoining streets (other than streets dedicated to and accepted for maintenance by the public). Such insurance shall (i) afford immediate protection to the limit of not less than \$1,000,000 combined single limit bodily injury and property damages and medical malpractice coverage of not less than \$1,000,000; (ii) be issued on an "occurrence basis" (or its substantial equivalent, such as a "claims made" policy with appropriate tail coverage) and be endorsed specifically to include within its scope of coverage all liabilities and indemnities for which Owner is obligated and liable under the terms of this Agreement; and (iii) not provide for a self-insured retention in excess of \$100,000;

(b) worker's compensation insurance with statutory and employee's liability insurance;

(c) employee's fidelity insurance in the amount of \$500,000;

(d) auto liability insurance covering motor vehicles owned or hired by Owner, protecting and indemnifying Owner against claims for the injury to or death of persons or damage to or destruction of property. Such insurance shall afford immediate protection to the limit of not less than \$250,000 for injury or death of each person; \$500,000 for injury to or death of persons for each occurrence; and \$100,000 for damage to or destruction of property;

(e) fire and extended coverage insurance on the Project and its components and contents against loss or damage by fire and other casualties covered under such form of policy, in an amount not less than the full replacement cost of the Project. In the event such insurance provides for a self insurance retention or a deductible amount, such self-insurance retention or deductible amount shall not exceed \$25,000; and

(f) such other coverages, in such amounts as shall be recommended and reasonable for the protection of Owner and Management Consultant.

Such insurance shall, if reasonably possible, be written by companies that are nationally recognized and shall be selected in good faith by Management Consultant. The policies shall name Owner as the insured and Owner's affiliates, stockholders, directors, officers, and/or agents as additional insureds, and Management Consultant and Management Consultant's affiliates, stockholders, directors, officers, and/or agents as additional insureds.

4.2 Policies. Management Consultant shall use reasonable efforts to ensure that each policy referred to in Section 4.1 above shall:

(a) provide that it will not be canceled, amended, or reduced except after not less than thirty (30) days' written notice to Owner and Management Consultant;

(b) provide that such insurance shall not be invalidated by any act or negligence of Owner or Management Consultant or any person or entity having an interest in the Project, by any foreclosure or other proceedings or notices thereof relating to the Project, or by any change in title to or ownership of the Project; and

(c) include a waiver of all rights of subrogation against Management Consultant and Owner, their respective officers, directors, shareholders, constituent partners, employees, and agents.

Management Consultant shall deliver to Owner certificates of insurance evidencing the existence of all insurance required to be maintained for Owner, such delivery to be made:

(a) within ten (10) days after the execution and delivery of this Agreement; and

(b) at least ten (10) days prior to the expiration date of any such insurance policy.

4.3 Cooperation. Management Consultant and Owner each shall furnish to the other whatever information is reasonably requested by the other for the purpose of obtaining the insurance coverages required hereunder.

4.4 Other Contractor's Insurance. Pursuant to the program of insurance for the Project, Management Consultant shall assist Owner's staff in making reasonable attempts to require that each Nursing Home Contractor maintain insurance at the Nursing Home Contractor's expense.

4.5 Management Consultant's Authority to Cancel Policies. Owner hereby acknowledges that Management Consultant procures group insurance coverage for a variety of client facilities and that as a condition of financing the premiums for such group coverage, it often has had to agree that any default of one client facility may result in the cancellation of the policies for all client facilities. Owner therefore acknowledges, agrees, and authorizes Management Consultant to preempt an imminent default by Owner with respect to Owner's insurance coverage by canceling the Nursing Home's insurance policy if it appears, in Management Consultant's sole discretion, that Owner will be unable or unwilling to pay Owner's premium when due. In addition, it is understood by the parties that Management Consultant may terminate Owner's insurance coverage upon termination of this Agreement.

ARTICLE V

BANK ACCOUNTS

5.1 Operating Account. Management Consultant is authorized for and on behalf of Owner to establish an operating account for the Project at an FDIC insured bank to deposit all Project Income therein, and to pay all Project Expenses therefrom. The authorized signatory on such account shall be designated by Management Consultant.

5.2 Operating/Working Capital. Owner shall be obligated to provide any and all operating/working capital needed by Project to pay all Project Expenses, including debt service payments. Owner agrees to provide the Project a bank operating line of credit, secured by the Project's accounts receivable and in an amount not less than 80% of Project's accounts receivable balance. Said line of credit shall be perpetually available to the Project, may only be utilized to pay Project Expenses, may only be drawn by Management Consultant and then only into the Operating Account of Owner.

5.3 Right to Collect Payments to Management Consultant. Management Consultant shall be entitled to and is hereby authorized to disburse from the Operating Account to itself the accrued amounts due to Management Consultant pursuant to this Agreement. To the extent funds are not immediately available in the Operating Account to pay same, such amounts due to Management Consultant shall accrue interest at a rate of seventy-nine one hundredths of one percent (0.79%) per month, and shall be payable as provided in Article VII hereof.

ARTICLE VI

CONSULTING FEE AND ADDITIONAL PAYMENTS

6.1 Consulting Fee; Cost Center Allocations; Mobilization Fee. During the term of this Agreement, Owner shall pay Management Consultant, in the manner provided below, Consulting Fees equal to three percent (3%) of the Project Income during the year concerned. Project Income for purposes of this Section 6.1 shall not include income adjustments relating to periods of time dating prior to the Effective Date. In addition, Owner shall pay Management Consultant its pro-rata share of Service Center Expenses, as defined in Section 1.14 above. In addition, Owner shall pay a one-time Mobilization Fee to Management Consultant pursuant to Section 6.6 below.

6.2 Payment of Consulting Fee and Service Center Allocations. The Consulting Fee shall be due on the twentieth day of each month following the immediately preceding month, and shall be calculated by multiplying the prior month's Project Income by five percent (5%). Income adjustments relating to periods of time dating prior to the Effective Date shall not be included in Project Income for purposes of this Section 6.2. Owner's pro-rata share of Service Center Expenses shall be billed following the end of each month, and Owner shall pay such billed amount within ten (10) days of Owner's receipt of each invoice.

6.3 Annual Payment Adjustment. Within fifteen (15) days after the delivery of the annual financial statements of the Project, Owner shall pay to Management Consultant or Management Consultant shall pay to Owner such amount as is necessary to make the amount of Consulting Fees paid with respect to the year equal to the amount of Consulting Fees shown to be due by the annual statements of Owner and Management Consultant and in accordance with Sections 6.1 and 6.2 hereof.

6.4 Temporary Staffing Assistance. Should Project need a temporary staffing placement and should Management Consultant, in its sole judgment, determine that Management Consultant has staff available to fill the Project's temporary staffing need, Management Consultant may do so and same service shall be at an additional charge to Owner. The charge for the temporary staffing placement shall be Management Consultant's total costs including but not limited to all direct costs and overheads plus a fifty percent (50%) markup. Owner shall pay such temporary staffing assistance charges as Project Expenses within thirty (30) days of receiving an invoice for same from Management Consultant.

6.5 Project Expenses Incurred by Management Consultant. Owner understands and agrees that certain of Owner's Project Expenses, as a convenience to Owner, will be incurred by Management Consultant on behalf of Owner. Some examples of such items are: staff recruitment advertising, other advertising, software access charges, check stock, postage, travel arrangements for Owner staff, facility's stationary/business cards/brochures/envelopes and other mailing supplies, insurance premiums, copies, telephone, dues and subscriptions, CPA firm services, legal services, payroll processing firm charges, education and seminar arrangements, staff recruiter firm services, customer relations phone center and mystery shopper services, bank service charges for Project accounts, rental charges to store Owner's records, etc. Owner agrees that all such Owner Project Expenses incurred by Management Consultant shall be promptly reimbursed to Management Consultant from the Operating Account.

6.6 **Mobilization Fee.** Owner shall pay to Management Consultant a one-time fee in the amount of Five Thousand Dollars (\$5,000) (the "Mobilization Fee"). The Mobilization fee shall be paid to Management Consultant in six equal monthly installments of Eight Hundred Thirty-Three Dollars and Thirty-Three Cents (\$833.33) beginning on the date that is thirty (30) days after the Effective Date and continuing every thirtieth day thereafter until paid in full.

ARTICLE VII

TERM

7.1 **Term.** This Agreement shall commence on the Effective Date and shall thereafter continue for a period of twenty (20) years and automatically renew for successive twenty-year terms unless otherwise terminated pursuant to the terms hereof.

7.2 **Optional Termination.** Owner or Management Consultant may terminate this Agreement, with or without cause, upon three full and complete calendar months' written notice to the other, at any time during the term hereof. No notice of termination shall be given prior to the Effective Date. No termination permitted hereunder shall affect or prejudice Management Consultant's right to receive payments for Consulting Fees, Service Center Allocations, and the Mobilization Fee that accrue pursuant to this Agreement along with related interest charges that were accrued through the date of the termination notice and that subsequently accrue during the notification period and thereafter until Management Consultant is paid in full.

7.3 **Termination Upon Default.** Either Party hereto may terminate this Agreement upon the uncured default of the other Party. The following shall constitute events of default:

(a) The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by either Owner or Management Consultant;

(b) The consent to an involuntary petition in bankruptcy or the failure by either Owner or Management Consultant to vacate within ninety (90) days from the date of entry thereof any order approving an involuntary petition;

(c) The entering of an order, judgment, or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either Owner or Management Consultant as bankrupt or insolvent or approving a petition seeking reorganization or appointment of a receiver, trustee, or liquidator of all or a substantial part of such Party's assets, which order, judgment, or decree shall continue unstayed and in effect for a period of one hundred twenty (120) consecutive days;

(d) The failure or refusal of Owner to provide funds necessary to pay Project Expenses;

(e) The failure of either Owner or Management Consultant to perform, keep, or fulfill any of the covenants, undertakings, obligations, or conditions set forth in this Agreement and the continuance of any such failure for a period of thirty (30) days after written notice of said failure;

If either Party hereto desires to terminate this Agreement as a result of any such event of default by the other Party hereto, the non-defaulting Party shall first give to the defaulting Party notice (a "Final Notice") of its intention to terminate this Agreement. After the expiration of a period of thirty (30) days from the date of such notice, and upon the expiration of such thirty (30) day period, this Agreement shall terminate. If, however, upon receipt of such final notice, the defaulting Party cures the default within said thirty (30) day period (or, if the default is other than as referred to in subsections (d) or (e) above, such longer period as is reasonably necessary to remedy such default, provided the defaulting Party shall commence curative efforts as soon as reasonably practicable and pursue such remedy with all due diligence until such default is cured), then this Agreement shall not terminate by reason of such Final Notice. Notwithstanding the provisions of this Section, in no event shall either Party be obligated to deliver more than two (2) such Final Notices with regard to events of default listed herein to the other Party hereto within any consecutive twelve (12) month period or one Final Notice with regard to an event of default substantially similar in nature to an event of default occurring within the previous twelve (12) months, and upon the third (or second, as applicable) such default by the other Party hereto within such twelve (12) month period, and after the notice provided above for such third (or second, as applicable) default has been given and the curative period applicable thereto has lapsed, then the non-defaulting Party may terminate this Agreement without giving a Final Notice.

7.4 Effect of Termination. Upon termination of this Agreement, Management Consultant shall forthwith:

(a) Surrender and deliver up to Owner any and all Project Income in the operating account less the amounts accrued and/or due to Management Consultant through the termination date, as provided in this Agreement;

(b) Deliver to Owner as received any monies due Owner under this Agreement but received by Management Consultant after such termination;

(c) Deliver to Owner all materials, supplies, keys, contracts and documents, plans, specifications, promotional materials, and such other accountings, papers, and records pertaining to the Nursing Home;

(d) Deliver to Owner a final accounting of the Project prepared in accordance with the provisions of Section 3.1(e) up to and including the date of termination;

(e) Cease the performance of all services authorized to be performed by Management Consultant under this Agreement, including without limitation, providing Owner access to Service Center Expenses;

(f) Cooperate, within reason, with Owner for Owner to undertake responsibilities allocated to Management Consultant by this Agreement.

(g) Remove from the Nursing Home all proprietary tools including, but not limited to, manuals, policies, procedures, forms, computers, software, equipment, etc. of any nature whatsoever that were created by or otherwise are the property of Management Consultant and further, Owner hereby agrees not to utilize, duplicate or in any way share any of Management Consultant's proprietary tools, methods, systems, etc. following termination of this Agreement.

(h) Remove from the Nursing Home all other property belonging to Management Consultant or assigned by Management Consultant temporarily to Nursing Home during the term of this Agreement.

Upon termination of this Agreement for any reason, Management Consultant's right to receive Consulting Fees, Service Center Allocations, the Mobilization Fee, and Project Expense reimbursements that accrue under the terms of this Agreement, including any interest thereon, shall survive such termination and continue in force and effect, and Owner shall be obligated to promptly make such payments to Management Consultant.

ARTICLE VIII

CASUALTY; CONDEMNATION

8.1 **Total or Substantial Destruction.** If the Project or any portion thereof is damaged or destroyed at any time or times during the term of this Agreement by fire, casualty, or any other cause that renders the Project totally or substantially inoperative for its intended purpose, and if Owner does not notify Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to rebuild or replace the same to substantially its former condition prior to such damage or destruction, this Agreement shall terminate as of the date of the damage or destruction with each Party's rights accruing through such date. If Owner notifies Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to rebuild or replace the Project and does rebuild or replace the Project within a reasonable time, this Agreement shall continue in full force and effect except that the term hereof shall be extended for the period of time equal to that period during which the Project is inoperative.

For purposes of this Agreement, total destruction or damage "that renders the Project totally or substantially inoperative for its intended purpose" shall mean damage or destruction that, according to an engineer selected by Owner and Management Consultant (each party agreeing to cooperate reasonably in such selection), could not reasonably be expected to be repaired or restored within twelve (12) months after the occurrence of such damage or destruction, so that at such time the Project will be restored substantially to the condition in which it existed prior to such damage or destruction, with services and amenities substantially equivalent to those which existed prior to such damage or destruction.

8.2 **Partial Damage or Destruction.** If the Project is damaged or partially destroyed in such a manner as to not totally or substantially render the Project inoperative for its intended purpose (as defined in Section 8.1 above), this Agreement shall remain in full force and effect as to that portion of the Project not so damaged or destroyed, with an appropriate abatement in the services to be performed by Management Consultant as to such damaged or destroyed portion, except that if Owner does not notify Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to repair or replace the portion of the Project that was damaged or destroyed, Management Consultant shall have the option, upon thirty (30) days' notice to Owner, to terminate this Agreement, such termination to be effective upon the expiration of said

thirty (30) day period, and thereafter Management Consultant shall have no claim against Owner (except as provided in Section 7.4 above) arising from such failure to rebuild and such termination.

8.3 Condemnation. If the whole or substantially all of the Project is condemned or taken in any manner for any public or quasi-public use under any statute or by right of eminent domain, then this Agreement shall terminate as of the date of vesting of title thereto in the condemning authority, with each Party's rights accruing through such date. If a part of the Project is so taken or condemned, and if such taking substantially affects the Project, or if such taking is of a substantial part of the Project, Management Consultant shall have the right, by delivery of notice to Owner within sixty (60) days after such taking, to terminate this Agreement as of the date of the vesting of title thereto in the condemning authority, with each Party's rights accruing through such date. If Management Consultant does not so elect, this Agreement shall remain unaffected by such taking, except that, effective as of the date of such taking, appropriate abatement shall be made in the services to be performed by Management Consultant as to such taken area of the Project.

For purposes of this Agreement, the condemnation or taking of the "whole or substantially all of the Project" shall mean the condemnation or taking (or conveyance in lieu thereof) of a material portion of the Project, such that the Project ceases to be a first-class Nursing Home, ceases to have adequate available parking or access, or ceases to have services and amenities substantially similar to those existing immediately prior to such condemnation or taking (or conveyance in lieu thereof).

ARTICLE IX

MISCELLANEOUS

9.1 Notices. All notices, directives, or demands required by this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by overnight courier service (*e.g.*, Federal Express, Airborne, or Network Courier) and overnight courier shall be used when the circumstances merit expedient delivery, addressed, in the case of Management Consultant to 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention: General Counsel, and in the case of Owner to 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention: General Counsel, or to such other address or addresses as shall, from time to time, be designated by notice by either Party to the other Party. Notices given in compliance with the foregoing provisions by registered or certified mail shall be effective on the date shown on the return receipt thereon as the date of delivery or attempted delivery, and notices sent by overnight courier shall be effective on the date shown on the courier's receipt therefor as the date of delivery.

9.2 Entire Agreement. This Agreement shall constitute the entire agreement between the Parties hereto and shall supersede all other prior agreements, written or oral, between the Parties hereto and relating to the Project. No modification hereof shall be effective unless made by supplemental agreement in writing executed by Owner and by the President of Management Consultant.

9.3 Nature of Contract. Neither the relationship between Owner and Management Consultant nor anything contained in this Agreement shall be deemed to constitute a partnership, joint venture, or any other similar relationship, and Management Consultant shall at all times be

deemed an independent contractor for purposes of this Agreement, and shall at all times be deemed a consultant and not the Project operator.

9.4 Governing Law. This Agreement is made pursuant to, and shall be governed by and construed in accordance with, the laws applicable to contracts made and to be performed in the State of Tennessee.

9.5 No Waiver; Cumulative Remedies. The failure of Owner or Management Consultant to seek redress for violation or to insist upon the strict performance of any covenant, agreement, provision, or condition of this Agreement shall not constitute a waiver of the terms of such covenant, agreement, provision, or condition, and Owner and Management Consultant shall have all remedies provided herein and by applicable law with respect to any subsequent act that would have originally constituted a violation.

9.6 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, such determination shall not affect any other provision of this Agreement, and all such other provisions shall remain valid and in full force and effect.

9.7 Assignability. Other than an Assignment by the Owner to an affiliate of the Owner, no assignment shall be permitted without the prior written consent of Management Consultant, which shall not be unreasonably withheld. Any assignment of this Agreement shall be binding upon and inure to the benefit of the successor or assignee of Owner, but no such assignment shall release Owner from its obligations hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

OWNER:

CHRISTIAN CARE CENTER OF MILAN, LLC

By: 

J.R. Lewis, Chief Manager

Date: 7-20-17

MANAGEMENT CONSULTANT:

CARE CENTERS MANAGEMENT CONSULTING, INC.,

By: 

Anita West,
Treasurer

Date: 7-20-17

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT is made and entered into by and between **D & B Properties, Inc.**, ("Seller") and **Gibson County Real Estate Investors, LLC** a Tennessee limited liability company, ("Buyer") and their respective heirs, successors and assigns.

WITNESSETH

For the consideration set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **SALE OF PROPERTY.** Seller agrees to sell, and Buyer agrees to purchase certain real estate located in Gibson County, Tennessee, consisting of approximately 6.09 acres, to be more specifically defined by a survey prior to closing, which real estate fronts Highway 45E and Sonic Drive,. The Property will be more particularly described after receipt of a survey and the description will be supplemented according to the survey.

2. **CONSIDERATION.** Buyer agrees to pay for the property the sum of exactly **Five hundred and Seventy-Five Thousand and No/100 dollars (\$575,000.00)** (Purchase Price"), payable as follows:

A. Forty-five thousand and No/100 Dollars (\$45,000.00) upon execution by Seller of this contract as earnest money ("Earnest Money"); held by Brandt, Beeson and Robbins, P.C., 206 Princeton Road, Suite 25, Johnson City, TN 37601. Except as otherwise provided below, all Earnest Money shall become non-refundable upon Buyer's receipt of a final, non-appealable replacement facility certificate of need issued to the operator of a sixty- six (66) bed skilled nursing facility on the Property.

B. The balance in cash, cashier's check or wire transfer at Closing.

3. **DUE DILIGENCE PERIOD.** Buyer will, at Buyer's expense and within 180 days from the last date of signing of this Contract determine whether the Property is suitable, in Buyer's sole and absolute discretion, for Buyer's intended use and development of the Property ("Due Diligence Period"). During the Due Diligence Period, Buyer may conduct any tests, analyses, surveys and investigations ("Inspections") which Buyer deems necessary to determine to Buyer's satisfaction the Property's engineering, architectural, environmental properties; zoning and zoning restrictions; flood zone designation and restrictions; subdivision regulations; soil and grade; availability of access to public roads, water, and other utilities; consistency with local, state and regional growth management and comprehensive land use plans; availability of permits, government approvals and licenses; absence of soil and ground water contamination; and other inspections that Buyer deems appropriate to determine the suitability of the Property for Buyer's intended use and development. Buyer will deliver written notice to Seller prior to the expiration of the Due Diligence Period of Buyer's determination of whether or not the Property is acceptable. Buyer's failure to comply with this notice requirement will constitute acceptance of the Property in its present "as is" condition. Seller grants to Buyer, its agents, contractors and assigns, the right to enter the Property at any reasonable time during the Due Diligence Period for the purpose of conducting Inspections; provided, however, that Buyer, its agents, contractors and assigns enter the Property and conduct Inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including reasonable attorneys' fees at all levels, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Should Buyer deliver timely notice that the Property is not acceptable, Seller agrees that the Earnest Money will be fully and immediately returned to Buyer, the Contract terminated, and the parties shall have no further obligations to each other.

Should Buyer, on or before the end of the Due Diligence Period, fail to give written notice of non-acceptability, including the conditions set forth in article 7 herein, then and in that event the Earnest Money shall become non-refundable.

4. TITLE. Seller is, or at the time of closing will be, the owner of good and marketable fee simple title to the Property, free and clear of any liens, mortgages, assessments, pledges security interests, options, encumbrances, easements, tenancies, covenants, restrictions, conditions, charges, agreements, encroachments, and all other encumbrances and exceptions to title whatsoever.

If Buyer's title insurance binder discloses matters or defects in the title to the Property, Buyer shall give Seller written notice of the same and Seller may be allowed a reasonable time, not in excess of thirty (30) days from such notice, within which to cause the matter or defect to be cured. Seller shall, within five (5) days after receipt of notice of defect, notify Buyer of his intentions to cure the defect. If Seller does not so notify Buyer, Seller shall be deemed to have elected not to cure the defect.

In the event Seller elects not to cure any material title defect under this paragraph, or if Seller is unable to cure a title defect after making reasonable efforts to do so, then Buyer may:

- A. elect to accept the defect and proceed to close the transaction; or
- B. Buyer may cancel this contract by notice in writing to Seller whereupon the Earnest Money shall be returned to Buyer, and each party shall be released from further liability to the other.

5. SURVEY. Buyer shall obtain a newly certified survey of the Property prepared by a licensed surveyor. The survey must be sufficient in form and content to allow a title insurance company to waive all matters of survey and must show on its face that the Property is not located within any recognized flood hazard area. If the survey is not acceptable to the title insurance company, or shows material encroachments, and Seller elects not to remedy said survey issues or is unable to remedy said survey issues, then Buyer, within (30) days from receipt of the survey, shall have the right upon written notice to Seller to terminate this Contract, whereupon the Earnest Money (and Second Earnest Money, if on deposit) shall be returned to Buyer, or to close the purchase and sale of the Property regardless of the condition, with an adjustment to the purchase price..

6. TAXES AND ASSESSMENTS. Seller shall pay in full, on or before closing, all real estate taxes which are a lien on the Property as of the date of Closing, whether past due or not, except for current year's real estate taxes, which shall be prorated as of the date of Closing. At Closing Seller shall pay in full all special assessments which are presently owed and other charges which are or may become a lien on the Property whether past due or not.

7. GENERAL REPRESENTATION, WARRANTIES, AND AGREEMENTS OF SELLER. Seller represent, warrants, and agrees as follows as of the date of this contract and the date of closing; which representation and warranties shall survive the closing:

- A. Seller knows of no violation of any laws, municipal ordinances, orders, or other requirements of any governmental entity which affect or might affect the property.
- B. There are currently no lawsuits involving the Property, nor any contingent liabilities involving the property or the continued operation of the Property.
- C. There is no pending or threatened condemnation or similar proceeding affecting the Property or any portion thereof, and Seller has no knowledge that any such action is presently contemplated.
- D. Seller has no information or knowledge that there are any law, ordinances, or restriction, or any changes contemplated therein, or any judicial or administrative action, or any action by adjacent landowners or natural or artificial conditions upon the Property, or any other fact or condition which would have a material adverse effect upon the Property or its value, which has not been disclosed in writing to Buyer.

E. There are no parties in possession of any portion of the Property.

F. Neither Seller nor the Property is subject to any pending proceedings under any state or federal insolvency or bankruptcy legislation. To Seller's knowledge, no such proceedings, either voluntary or involuntary, are imminent or threatened.

H. To the best of Seller's knowledge, the Property has not been used, and is not presently being used, and will not through the date of the closing, be used for the handling, storage, transportation or disposal of hazardous or toxic materials.

I. To the best of Seller's knowledge, there are currently no underground storage tanks located on the Property.

J. There are no outstanding Notices with respect to the Property, including specifically Notices of Violations or enforcement actions for hazardous or toxic waste cleanup or presence and Seller has no reason to believe that any Notices of Violations will be given or enforcement activities commenced, either by governmental authorities or private individuals or corporations.

8. **CONDITIONS TO CLOSING.** The obligation of Buyer to purchase the Property and to perform Buyer's other obligations hereunder shall be subject to the following conditions, which may be waived, in whole or in part, but only in writing by Buyer:

A. All representations, warranties, and agreements made by Seller herein shall be true and correct in all respects on and as of the date of Closing, with the same force and effect as is made on and as of such date, and Seller shall have performed all covenants and obligations and complied with all conditions required by this Contract in a timely manner.

B. Buyer must be able to obtain a title insurance commitment to issue an ALTA Form B owner's policy of title insurance with no exception.

C. Seller must have furnished Buyer no later than ten (10) days prior to closing with a written certificate executed by the holder of any existing liens, representing and stating the amount of the unpaid principal balance including interest; the balance of all funds and sums owed in order to fully satisfy the obligation secured by any existing lien as of the date of the certificate, and a per diem amount payable after that date in order to satisfy fully said obligations.

D. Buyer is able to obtain an environmental site assessment of the opinion that the Property is not contaminated with hazardous or toxic substances and that no remediation or further investigation is warranted.

E. Buyer shall have received notice from all necessary government agencies indicating that Buyer's applications and/or requests for review have been approved and are considered final by the applicable government agencies, allowing Buyer to proceed with construction of a 66-bed skilled nursing facility on the Property.

In the event any of the conditions set forth above are not satisfied, then at Buyer's option, this Contract may be terminated, and the obligations of the parties to each other under this Contract shall cease.

9. **CLOSING.** The Closing shall be held on or before the 45th day following the approval of a certificate of need to Buyer as set forth section 8.E herein. Provided, however, that in the event, at the end of the 180 day period as set forth in paragraph 3, the Buyer continues to await the approval of the certificate of need, Buyer may at its option extend the closing date by up to 180 days. In the event that Buyer extends the closing date Buyer shall deposit an additional \$20,000 non-refundable earnest money deposit, the total \$65,000 earnest money to be applied to the purchase price at closing and in the event Buyer fails to close the Seller shall retain the \$65,000 earnest money

deposit. The Closing shall occur at the office of the closing agent selected by Seller. The Buyer shall provide Seller three (3) days notice prior to Closing.

At Closing, all documents necessary for the conveyance of the Property, the payment of the Purchase Price, and financing arrangements contemplated hereunder, shall be executed and delivered. Said documents shall include, without limitation, the following:

- A. General Warranty Deed transferring the Property from Seller to Buyer subject only to the exceptions set forth herein;
- B. Lien Affidavits, Survey, Surveyor's Certificate, Confirmations, Consents, Approvals, and other documents contemplated by this Agreement, or reasonably required by holder of a First Mortgage Loan
- C. Any other documents reasonably required by Buyer.

10. CLOSING COSTS AND ADJUSTMENTS.

- A. Seller shall be responsible for the cost of preparing the General Warranty Deed;
- B. Buyer shall be responsible for the costs of inspecting the Property, the cost of title insurance and documentary stamps, costs of completing all other due diligence requirements;
- C. At Closing, the following adjustments between the parties shall be made as of 12:01 a.m. on the date of Closing.

(i) City, State, and County real and personal property ad valorem taxes shall be apportioned as of the date of Closing. If the amount of such taxes for the year in which the closing occurs cannot reasonably be determined, the apportionment shall be based upon the amount of taxed for the next preceding tax year, and later adjusted. Provided, however, such adjustment must be requested in writing by the party so requesting such adjustment within one year from the date of Closing; otherwise, no adjustment shall be made and no obligation to make an adjustment shall exist.

- D. Each party shall bear its own real estate commissions, attorneys' fees and costs.

11. CONDEMNATION. If any portion of the Property shall be condemned or otherwise taken through any power of eminent domain prior to Closing, or if proceeding to condemn or otherwise take any portion of the Property are commenced prior to Closing, Buyer may elect:

- A. to terminate this Contract, whereupon the Earnest Money shall be refunded to Buyer, and Buyer and Seller shall be relieved of further obligations, hereunder, or
- B. to purchase the Property under the terms of this contract, whereupon Seller shall be required to assign to Buyer at Closing, all of the Seller's right, title and interest with respect to any condemnation or other governmental action to condemn or take any portion of the Property.

12. OFFER AND ACCEPTANCE. Buyer by signing this Contract hereby offers to purchase the Property from Seller on the terms and conditions set out herein. Acceptance of this offer by the Seller may only be made by actual delivery to Buyer of an executed original (via the methods of delivery provided in Section 13 herein) of this Agreement signed by Seller. The date of acceptance shall be the date on which Buyer receives the Agreement executed by the Seller. Buyer may revoke this offer at any time prior to Buyer's receipt of Seller's formal executed acceptance of this Agreement.

13. NOTICE. Any notice to be given under this Contract shall be deemed given if provided by electronic communication, facsimile, overnight delivery, or U.S. mail - postage pre-paid to the following:

To SELLER:

D&B Properties, Inc.

P.O. Box 427

Dyersburg, TN 38025

Attention: _____

Email: _____

and

Professional Real Estate Group

Attn: Pat Eudaley

815 Silver Street

Dyersburg, TN 38024

email: pat@dyersburg.com

To BUYER:

Hardeman County Real Estate Investors, LLC

2020 Northpark, Suite 2D

Johnson City, TN 37604

Attention: General Counsel

Email: jhollingsworth@carecenters.net

14. MISCELLANEOUS.

A. This Contract constitutes the sole and entire agreement between Buyer and Seller. No modification hereof shall be binding unless made in writing and executed by Buyer and Seller. No representations, promises, or inducements not included in this Contract, or any verbal modification or amendment hereof, shall be binding upon Buyer and Seller, and their respective heirs, successors, assigns, beneficial owners and representatives.

B. Time is of the essence of this Contract.

C. The validity, construction and interpretation of this Contract shall be determined in accordance with the laws of the State of Tennessee.

D. The captions used in this Contract are for purposes of convenience only shall not be construed or interpreted so as to limit or define the effect of this Contract.

E. All agreements, representation, and warranties of the Seller contained in this Contract shall survive the Closing of this transaction.

F. This Contract may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

Buyer may waive any provision hereunder which is a condition to Buyer's performance and may elect to close the transaction.

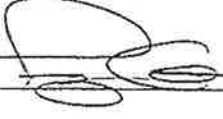
H. Seller certifies, represents, and warrants, under penalty of perjury, that Seller is not a foreign person or nonresident for purposes of Section 1445 of the Internal Revenue Code, or any related provisions, and Seller will execute such further certifications with respect thereto as Buyer may require.

I. Buyer may assign this Agreement with all rights terms & conditions hereunder to any individual, corporation, or limited liability company which has the same ownership structure of the Buyer, but not otherwise.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth below.

SELLER:


D&B Properties, Inc.

By:  CEO
_____, President

Date: 11-20-17

BUYER:

Gibson County Real Estate Investors, LLC

By:  J.R. Lewis
Chief Manager

Date: 11-17-17

AMENDMENT TO CONTRACT FOR SALE OF REAL ESTATE

THIS AMENDMENT TO CONTRACT FOR SALE OF REAL ESTATE ("Amendment"), is dated this 8th day of February, 2018.

WHEREAS, D & B Properties, Inc. as Seller and Gibson County Real Estate Investors, LLC as Buyer entered into that certain Contract for Sale of Real Estate signed by Buyer on November 17, 2017 and by Seller on November 20, 2017 (the "Agreement") for the purchase and sale of certain real property located in Gibson County, Tennessee and more particularly described in Section 1 of the Agreement (the "Real Estate");

WHEREAS, it has come to the attention of the parties that D & B Properties owns only a one-fourth undivided interest in the Real Estate and that S. A. Dewitt, L.P., a Tennessee limited partnership, Penny Guthrie, and Mark Roberson each also own a one-fourth undivided interest in the Real Estate; and

WHEREAS, all parties involved desire to amend the Agreement to reflect the accurate ownership of the Real Estate;

NOW THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. The term "Seller" as used in the Agreement is hereby redefined to mean D & B Properties, Inc., S. A. Dewitt, L.P., a Tennessee limited partnership, Penny Guthrie, and Mark Roberson, collectively.

2. Except as herein amended, the Agreement remains in full force and effect, all other terms remaining unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment to Contract for Sale of Real Estate on the respective dates indicated below:

[signatures on following page]

SELLER:

D & B Properties, Inc.

By: 

Name: Penny Guthrie

Its: Vice President / CEO

Date: 2/8/18

S. A. Dewitt, L.P.

By: 

Name: Mark Roberson

Its: General Partner

Date: 2/8/18

Penny Guthrie

Date: 
2/8/18

Mark Roberson

Date: 
2/8/2018

BUYER:

Gibson County Real Estate Investors, LLC

By: 

J.R. Lewis, Chief Manager

Date: 2 / 8 / 2018

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE (the "Amendment") is dated and effective this 18th day of January, 2018.

WHEREAS, Gibson County Real Estate Investors, LLC, a Tennessee limited liability company ("Lessor") and Christian Care Center of Milan, LLC, a Tennessee limited liability company ("Lessee"), entered into that certain Lease dated January 03, 2018;

WHEREAS, Lessee desires to amend the Lease as a result of its legal name change; and

WHEREAS, the parties desire to further amend the Lease as set forth herein.

NOW, THEREFORE, for an in consideration of the premises, and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

The Lease shall be amended to reflect the legal name change of Lessee as follows:

Christian Care Center of Medina, LLC

Except as herein amended, the Lease remains in full force and effect, and Lessor and Lessee hereby ratify and confirm the Lease, as herein amended.

LESSOR:
GIBSON COUNTY REAL ESTATE
INVESTORS, LLC

By: _____

J.R. Lewis, Chief Manager

LESSEE:
CHRISTIAN CARE CENTER OF
MEDINA, LLC

By: _____

Anita B. West, Secretary

Date: _____

01/18/2018

Date: _____

01/18/2018

LEASE

THIS LEASE ("Lease" or "Agreement"), dated as of January 03, 2018, is made and entered into by and between **GIBSON COUNTY ESTATE INVESTORS, LLC**, a Tennessee limited liability company ("Lessor"), and **CHRISTIAN CARE CENTER OF MILAN, LLC**, a Tennessee limited liability company ("Lessee").

W I T N E S S E T H:

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, as hereinafter defined, for the term of this Lease and subject to the terms, covenants, agreements and conditions hereinafter set forth.

1. **Definitions.** The terms set forth below shall have the meanings respectively ascribed thereto, except as otherwise clearly required by the context:

1.1 "Additional Rent" means any and all sums payable by Lessee hereunder other than Base Rent.

1.2 "Agency" means the agency or department of the State of Tennessee or its successor agency or department having authority over the licensure of skilled nursing facilities in Tennessee.

1.3 "Agreement" means this Lease, as in effect from time to time.

1.4 "Base Rent" has the meaning ascribed thereto in Section 4.1 hereof.

1.5 "Facility" means the 66-bed nursing facility located on the Premises.

1.6 "FF&E" means the furniture, fixtures, and equipment located in the Facility on the date hereof.

1.7 "Financing Lease" means any lease of property, real or personal, the obligations of the lessee in respect of which are required in accordance with U.S. generally accepted accounting principles to be capitalized on a balance sheet of the lessee.

1.8 "Guaranty Obligation" means as to any person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another person (including, without limitation, any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third person in any manner, whether directly or indirectly.

1.9 "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the comprehensive Environmental Response, Conservation and Recovery Act (42 of U.S.C. Section 6901 *et seq.*), as amended, or any other federal, state or local law, ordinance, rule or regulation applicable to the Premises, or any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive,

carcinogenic, mutagenic, or otherwise hazardous to the environment or to human health or safety, or any substance which contains gasoline, oil, diesel fuel or other petroleum hydrocarbons or byproducts, polychlorinated bipheyls (PCBs), or radon gas, urea formaldehyde, asbestos or lead.

1.10 "Indebtedness" means, with respect to any person at any date, without duplication, (a) all indebtedness of such person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness of such person which is evidenced by a note, bond, debenture or similar instrument, (c) all obligations of such person under Financing Leases, (d) all obligations of such person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such person and (e) all liabilities secured by any Lien on any property owned by such person even though such person has not assumed or otherwise become liable for the payment thereof.

1.11 "Infectious Waste" has the meaning assigned to the term "Biohazardous Waste" as such term is defined in applicable state statutes and rules.

1.12 "Inventory" shall mean the routine supplies located at the Facility.

1.13 "Lease" means this Lease, as in effect from time to time.

1.14 "Lessee" means Christian Care Center of Milan, LLC, a Tennessee limited liability company.

1.15 "Lessor" means Gibson County Real Estate Investors, LLC, a Tennessee limited liability company.

1.16 "Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Financing Lease having substantially the same economic effect as any of the foregoing), and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction in respect of any of the foregoing.

1.17 "Mortgage Loan" has the meaning ascribed thereto in Section 4.1.1 hereof.

1.18 "Permitted Use" means the operation of a skilled nursing facility, the provision of ancillary or other health care items and services to the residents thereof and to members of the community, the provision of adult day care, psycho-social or similar services to members of the community, and any use or activity related to or associated with the operation of a skilled nursing facility, including, without limitation, any activity which, in accordance with accepted commercial practice, may now or hereafter be conducted at a skilled nursing facility, whether or not such activity relates to the provision of services to residents of such facility.

1.19 "Premises" means the property and improvements located at Highway 45 East at Sonic Drive, Medina, Tennessee 38355, and more fully described in Exhibit A attached hereto and incorporated herein.

1.20 "Property Taxes" shall mean the gross amount of all real estate taxes and governmental assessments attributed to the Premises, less any early payment or other discounts realized, specifically excluding inheritance taxes, gift taxes, transfer taxes, franchise taxes, excise taxes, and income taxes of Lessor.

1.21 "Rent" shall mean the sum of the Base Rent and Additional Rent.

1.22 "Skilled Nursing Facility" shall mean intermediate care and/or skilled care nursing facility.

1.23 "Regulatory Clearances" shall mean (i) receipt by Lessee of notice from the Agency to the effect that upon receipt of evidence of the consummation of the transactions contemplated hereby and commencement of the term of this Lease, the Agency will issue a license authorizing Lessee to operate the Facility as a skilled nursing facility; (ii) receipt by Lessee of all other governmental approvals that are required as a condition precedent for the lawful commencement of the term of this Lease and operation of the Facility by Lessee as a skilled nursing facility.

2. Lease. Lessor hereby leases to Lessee the Premises, including the Facility and the FF&E, on the terms and conditions herein provided.

3. Term and Renewal. The term of this Lease is ten (10) years with an option to renew for a ten (10) year term. This term shall commence on the date on which the Premises is approved for occupancy and operation as a skilled nursing facility (the "Commencement Date").

4. Rent.

4.1 Base Rent. The base rent hereunder for each month of the term hereof (the "Base Rent") shall be paid by Lessee to Lessor in advance on the seventh (7th) day of each month during the term hereof, and shall be equal to the following::

4.1.1 Debt Service on Mortgage Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its mortgage loan, if any (the "Mortgage Loan"); *plus*

4.1.2 Debt Service on Improvement Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its improvement loan, if any (the "Improvement Loan"); *plus*

4.1.3 Debt Service - Other. An amount equal to the payment of principal and interest required to be made in such month in respect of any future debts incurred by Lessor in Lessor's needed renovation, replacements within and/or maintenance of the Facility, and/or in Lessor's expenditures required to maintain the Facility's physical compliance with local, state, and federal regulations; *plus*.

4.1.4 Fixed Return Amount. Starting with the thirteenth (13th) month and each month thereafter, a fixed return amount, which shall be equal to Five Thousand and No/100 Dollars (\$5,000.00) during the Term hereof.

In addition to the foregoing, and included in the Base Rent, Lessee shall pay Lessor an amount in each month equal to any sales tax levied by local and/or state of Tennessee taxing authority on the foregoing, if levied.

4.1.5 Depreciation and Amortization Expense. Plus, an amount equal to the greater of (a) depreciation and amortization expense incurred by Lessor, in accordance with generally accepted accounting principles (GAAP), less the amount of principal payments included in Sections 4.1.1, 4.1.2, and 4.1.3; or (b) zero.

4.2 Utilities and Property Taxes and Assessments.

4.2.1 In General. Lessee shall be responsible for all charges for the use of electric, gas, telephone, water, sewer, waste disposal, and all other utilities accruing during the Term of this Lease. Lessee shall pay or cause to be paid all Property Taxes attributable or assessed to the Premises accruing during the Term of this Lease. Lessee shall pay same when due with the maximum (real and personal) discount being utilized by Lessee. Lessee shall pay all assessments, whether general or specific, whether certified or pending, and shall pay all fees, costs, and other obligations when due to maintain all licenses to operate the Premises as a skilled nursing facility accruing during the Term of this Lease.

4.2.2 Hold Harmless. Lessee shall protect and hold Lessor and the Premises harmless from liability from any and all of the foregoing taxes, assessments, and charges, together with any interest, penalties, or other sums thereby imposed and from any sale or other proceeding to enforce payment thereof.

4.2.3 Right to Contest. Lessee shall have the right to contest or review by legal proceedings, as permitted under applicable law, any assessed valuation, real estate tax, or assessment. Lessor shall, if so requested by Lessee, join in any proceeding to contest or review such taxes or assessments at Lessee's cost and expense including reasonable attorney's fees. Should any of the proceedings result in reducing the Property Taxes for the Premises, Lessee shall be entitled to receive all refunds paid by the taxing authorities.

4.2.4 Limitation. Nothing contained in this Lease requires, or shall be construed to require Lessee, to pay any gift, estate, inheritance, or other tax assessed against Lessor, its heirs, successors, or assigns, or any income or other tax, assessment, charge, or levy on the rent payable by Lessee under this Lease to Lessor with the exception of Tennessee sales tax due, if any.

4.3 Additional Provisions.

4.3.1 Form and Manner of Payment. All sums due and payable pursuant to the terms and provisions of this Lease shall be paid by Lessee in lawful money of the United States of America. In addition, all such sums shall be paid to Lessor, and payment to Lessor shall fully discharge Lessee with respect to the amount so paid, Lessee having no liability or responsibility with respect to the allocation or distribution of any such payment between the owners of Lessor.

5. Use of Premises; Maintenance; Alterations; Mechanic's Liens.

5.1 Use of Premises. The Premises shall be used in accordance with the Permitted Use and for no other purposes. Lessee shall not commit, or suffer to be committed, any waste on the Premises. The Premises shall not be used in any manner to create any nuisance, offensive activity or unsightly condition, nor to vitiate the insurance on the Premises nor violate any rules, regulations, orders, or other obligations of any federal, state, or local government or other agency that may affect in any way the licensing or use of the Premises as a skilled nursing facility. Lessee shall be responsible for obtaining and maintaining all licenses necessary to operate Lessee's business as a skilled nursing facility.

5.2 Renovation and Maintenance. Lessee, by occupancy hereunder, accepts the Premises as being in reasonable repair and condition; provided that Lessor agrees to when and as reasonably needed by the Facility renovate the premises, replace HVAC units, replace resident room furniture, replace the roof, redecorate the Facility, etc., which shall first be recommended and presented to Lessor by qualified building architects, engineers, and interior design consultants (as the case may require) reasonably acceptable to Lessor and Lessee. In the event that any maintenance issue arises that is by its nature Lessor's responsibility and that puts the Facility or any of its residents, employees, or guests in actual or anticipated jeopardy of physical injury or regulatory deficiency, Lessor shall immediately undertake to correct the situation and shall see that it is corrected within ten (10) days of notice of such situation, and, if Lessor fails to do so, Lessee shall have the right to undertake to correct such situation utilizing whatever laborers it, in its sole discretion, deems desirable and shall be expressly permitted to full reimbursement from Lessor for the cost of such correction by a set off in Rent.

Lessee shall routinely maintain the Premises and every part thereof, including the Personal Property, in good repair and condition, damages by causes beyond the control of the Lessee excepted.

Notwithstanding herein to the contrary, Lessor agrees to indemnify and hold harmless Lessee, its officers, agents, and employees from any loss, cost, damage, expense, attorney's fees, and liability by reason of bodily injury, property damages, or both of whatsoever nature or kind, arising out of or as a result of Lessor's non-compliance with federal, state, or municipal laws, regulations, or codes pertaining to Hazardous Substances.

5.3 Alterations. Lessee shall make no structural alterations without the prior approval of Lessor, which approval shall not be unreasonably withheld.

6. Damage or Destruction.

6.1 50% or More of the Replacement Cost. If by fire or other casualty, the Premises are totally destroyed or partially damaged or destroyed to the extent of fifty percent (50%) or more of the replacement cost thereof, Lessor shall have the option of terminating this Lease, or any renewal thereof, by serving written notice upon Lessee within thirty (30) days from the date of the casualty, and any prepaid Rent shall be prorated as of the time of destruction, and any unearned Rent shall be refunded without interest. Nevertheless, should Lessor elect to repair such damage or destruction, then upon completion of such repairs this Lease shall be reinstated at the option of Lessee. In such event, Lessor shall give written notice to Lessee of the completion of such repair and

Lessee shall have thirty (30) days within which to exercise its option to reinstate this Lease by written notice to Lessor, such reinstatement to be effective as of the date specified in such notice from Lessee, but not more than sixty (60) days after the date of such notice.

6.2 49% or Less of the Replacement Cost. If by fire or other casualty, the Premises is damaged or partially destroyed to the extent of forty-nine percent (49%) or less of the replacement cost thereof, then Lessor shall restore the Premises.

6.3 Abatement of Rent. In the event of restoration by Lessor, all Rent thereafter accruing shall be equitably and proportionately adjusted according to the nature and extent of the destruction or damage, pending completion of rebuilding, restoration, or repair. In the event the destruction or damage is so extensive as to make it infeasible for Lessee to conduct Lessee's business on the Premises, the Rent shall be completely abated until the Premises is restored by the Lessor, or until the Lessee resumes use and occupancy of the Premises, whichever shall first occur. The Lessor shall not be liable for any damage to, or any inconvenience or interruption of, the business of the Lessee or any of its employees, agents, or invitees occasioned by the fire or casualty.

6.4 Repair. If the Premises is to be repaired under this Section 6, Lessor shall make such repairs at its cost.

7. Compliance With Legal Requirements. Lessor shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force, or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use, or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by or for Lessee or Lessee's acts.

8. Assignment and Subletting. Lessee shall have no right to assign or sublet this Lease without the prior written consent of Lessor.

9. Entry by Lessor. Lessor may enter the Premises upon reasonable notice to Lessee to (i) inspect the same, (ii) exhibit the same to prospective purchasers, lenders, or lessees, (iii) determine whether Lessee is complying with all of its obligations hereunder, (iv) supply any services to be provided by Lessor to Lessee hereunder, (v) post notices of non-responsibility, and (vi) make repairs required of Lessor under the terms hereof. Lessee hereby waives any claim for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry.

10. Events of Default and Lessor's Remedies. All rights and remedies of the Lessor herein enumerated in the event of a default shall be cumulative, and nothing herein shall exclude any other right or remedy allowed hereunder, at law, or in equity.

10.1 Bankruptcy. If any voluntary or involuntary petition or similar proceeding under any section or sections of any bankruptcy act shall be filed by or against Lessee, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Lessee insolvent or unable to pay Lessee's debts, and such petition or proceeding is not discharged or dismissed within

ninety (90) days after the commencement thereof, then and in any such event Lessor may, if Lessor elects, but not otherwise, and with or without notice of election, forthwith terminate this Lease, and notwithstanding any other provisions of this Lease, Lessor shall forthwith, upon such termination, be entitled to recover damages in an amount equal to the then present value of the Rent, specified in Section 4 of this Lease, for the residue of the stated term hereof less the fair rental value of the Premises for the residue of the stated term hereof.

10.2 Payment, Etc. If the Lessee defaults in the payment of Base Rent or Additional Rent, or in the prompt and full performance of any provision of this Lease, or if the leasehold interest of the Lessee is levied upon under execution or is attached by process of law, or if the Lessee makes an assignment for the benefit of creditors, or if a receiver is appointed for any property of Lessee, or if the Lessee abandons the Premises, and if any such event is not cured within thirty (30) days after notice thereof from Lessor, then and in any such event the Lessor may, if the Lessor so elects, but not otherwise, upon three (3) days' written notice of such election, either forthwith terminate this Lease and the Lessee's right to possession of the Premises or without terminating this Lease, forthwith terminate the Lessee's right to possession of the Premises, but the Lessee shall remain liable for damages as permitted by law, and as provided for herein.

10.3 Surrender. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of the Lessee's right to possession without termination of the Lease, Lessee shall surrender possession and vacate the Premises immediately, and deliver possession thereof to the Lessor, subject, in the case of expiration or termination of this Lease without default by Lessee, to the performance by Lessor of its obligations hereunder in connection with the expiration or termination hereof.

11. Representations and Warranties Lessor. Lessor represents, warrants, and covenants to Lessee, as of the date hereof and as of the Commencement Date, as follows:

11.1 Authority. Lessor has the full legal capacity and authority to enter into, and to perform its obligations under, this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement. Lessor's execution, delivery, and performance of this Agreement and all other agreements, instruments, and certificates to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions and will not violate any provision of Lessor's charter documents, including its articles of incorporation or organization, its bylaws or operating agreement, or other similar documents. This Agreement is, and the other documents to be delivered by Lessor (when executed and delivered by it) will be, valid and enforceable obligations of the Lessor, binding in accordance with their terms.

11.2 Organization. Lessor is, and on the Commencement Date will be, a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own and operate its properties and assets and to carry on its intended business. Lessor has complied with all provisions of its charter documents.

11.3 Title. Lessor has good and marketable fee simple title to the Premises subject to easements, restrictions, limitations, and encumbrances of public record and the lien of the Mortgage Loan and the Improvement Loan.

11.4 No Condemnation Proceedings. There is no pending or, to the knowledge of Lessor, threatened condemnation or similar proceeding affecting the Premises or any portion thereof, and Lessor has not received any written notice, and has no knowledge, that any such a proceeding is contemplated.

11.5 Use. There are no restrictions, recorded or unrecorded, or existing rules, regulations, laws, ordinances, or orders of any governmental or quasi-governmental authority which would impair Lessee's use of the Premises for the Permitted Use. Lessor has no knowledge of any judicial or administrative action, or any action by adjacent landowners, that has not been disclosed in writing to Lessee and that would prevent, limit, impede, or render more costly the present or any future use of the Premises or the construction of any additions or improvements thereto in compliance with existing laws. Lessor is not aware of any other facts or circumstances that would materially and adversely affect Lessee's use or value of the Premises as a skilled nursing facility.

12. Representations and Warranties of Lessee. Lessee hereby represents and warrants as follows:

12.1 Organization. Lessee is a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own its properties and assets and to carry on its intended business.

12.2 Authorization. Lessee has the full power, legal capacity, and authority to enter into, and to perform its obligations under, this Agreement. Lessee's execution, delivery, and performance of this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions. This Agreement is, and the other documents to be delivered by Lessee pursuant hereto (when executed and delivered by it) will be, valid and enforceable obligations of Lessee, binding on Lessee in accordance with their terms.

13. Additional Covenants of the Parties.

13.1 Governmental Approvals. To the extent not already accomplished, Lessee shall, promptly after the execution of this Agreement, submit to the Agency an application for a license in the name of Lessee, to authorize Lessee to operate the Facility, and applications for approval as a provider under the Medicare and Medicaid Programs. Thereafter, Lessee shall use reasonable efforts to pursue the issuance of such license and approvals. Lessor shall cooperate with and assist Lessee in the pursuit of such license and approvals as requested by Lessee from time to time (both before and after the Commencement Date).

13.2 Maintenance of Existence, Etc. During the term of this Lease, Lessor shall maintain intact its entity existence, and, including with respect to its assets, shall not liquidate or dissolve, or enter into any merger, consolidation, or similar transaction (regardless of the survivor), or acquire or be acquired by any person or entity, except with the written consent of Lessee.

13.3 Loan Guarantee Fee. If either party hereto guarantees the repayment of a loan made to the other party, the party making the guaranty shall be entitled to an annual loan guarantee fee, payable on December 31st of each calendar year, in the amount of One Quarter Percent (0.25%) of the highest amount of debt so guaranteed during the preceding calendar year.

13.4 Purchase at Termination. On the expiration or termination of this Lease for any reason, Lessee shall sell, and Lessor shall purchase: (i) all leasehold improvements of the Premises made by or at the expense of Lessee (other than through payments of Rent hereunder); (ii) all furniture, fixtures and equipment then located at the Facility and purchased and owned by Lessee; and (iii) all supplies inventory then located at the Facility which has been purchased by Lessee. The purchase price for the foregoing shall be an amount equal to the net book value thereof as of such expiration or termination, as shown on the books of Lessee prepared in accordance with generally accepted accounting principles, and shall be paid in immediately available funds within thirty days of the date of such expiration or termination.

13.5 Operation by Lessee. Lessee hereby covenants and agrees to use best efforts to maintain the Premises and the Facility free and clear of all claims, actions, suits, or other proceedings which could affect the Facility's ability to operate as a skilled nursing facility during the term of this Lease. Lessee agrees to maintain the use of the Property and shall comply with all environmental laws. Notwithstanding the foregoing, Lessee shall not have any liability for violations of environmental laws that do not result from acts or omissions of Lessee.

13.6 Medicare, Medicaid Requirements. Lessee hereby covenants and agrees to use its best efforts to maintain and comply with all applicable Medicaid and Medicare requirements or other Agency requirements, to maintain the Premises and its licenses and permits, to operate a skilled nursing facility upon the Premises, to comply with all rules and regulations as they may relate to residents and/or resident trust funds and to maintain such licenses and permits in good standing throughout the Term of this Lease. All Medicare and Medicaid cost reports, if any, required to be filed by Lessee shall be accurately completed in all material respects and timely filed. Any pending statement of deficiencies related to the Premises or the Facility after the Commencement Date issued by any agency shall be complied with in a timely manner.

13.7 Transfer of Licenses, etc. On the expiration or earlier termination of this Lease for any reason, Lessee (its successors, assigns, agents, trustees or receivers) shall transfer and relinquish to Lessor or Lessor's nominee and cooperate with Lessor or Lessor's nominee in connection with the processing by Lessor or such nominee of all licenses, operating rights, permits, certificates of need and other regulatory clearances or matters, including without limitation, a Certificate of Need, the Facility license, and any other contracts with governmental or quasi-governmental entities which may be necessary or appropriate for the operation of the Premises and Facility by Lessor or such nominee; provided that the costs and expenses of any such transfer or the processing of any such application shall be paid by Lessor or Lessor's nominee or assigns. Any such rights, permits, licenses, certificates and/or contracts which are held in Lessor's name or in the name of any lessee of Lessor at the termination of the Lease shall be the property of Lessor, and Lessee is strictly prohibited from transferring the license to or having a new license issued at a location other than the Premises.

14. Conditions to Lessee's Obligations. The obligations of Lessee from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessee:

14.1 Representations and Warranties. The representations of Lessor contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

14.2 Absence of Adverse Changes. There shall not have occurred any material adverse change affecting the Facility or the use or operation thereof by Lessee after the Commencement Date.

14.3 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

15. Conditions to Lessor's Obligations. The obligations of Lessor from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessor:

15.1 Representations and Warranties. The representations of Lessee contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

15.2 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

16. Failure of Conditions. In the event that there is a material failure of any of the conditions to the obligations of a party hereunder, which is not waived by such party, then such party may terminate and abandon this Lease by written notice to the other party, and in the event of such termination neither party shall have any further liability or obligation under this Lease to the other party hereto.

17. Lessor's Right to Cure Defaults. All agreements and provisions to be performed by Lessee under any of the terms of this Lease shall be at its sole cost and expense and without any abatement of rental. If Lessee shall fail to pay any sum of money, other than the Rent, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, Lessor may, but shall not be obligated to, and without waiving or releasing Lessee from any obligations of Lessee, make any such payment or perform any such other act on Lessee's part to be made or performed as in this Lease provided. All sums so paid by Lessor and all necessary incidental costs shall be deemed Additional Rent hereunder and shall be payable to Lessor upon demand, and Lessor shall have (in addition to any other right or remedy of Lessor) the same rights and remedies in the event of the non-payment thereof by Lessee as in the case of default by Lessee in the payment of rental.

18. Eminent Domain. The terms "eminent domain," "condemnation," "taking" and the like in the following paragraphs include takings for public or quasi-public use and private purchases in place of condemnation by any authority authorized to exercise the power of eminent domain.

If the entire Premises or the portions of the Premises required for reasonable access to, or reasonable use of, the Premises are taken by eminent domain, the Lease shall automatically end on the earlier of:

- (i) the date the title vests in the condemning authority; or
- (ii) the date Lessee is dispossessed by the condemning authority.

If the taking of a part of the Premises materially interferes with Lessee's ability to continue its business operations in substantially the same manner, the Lease shall automatically end on the earliest of:

- (i) the date when title vests;
- (ii) the date Lessee is dispossessed by the condemning authority, or
- (iii) sixty (60) days following notice to Lessee of the date when vesting or dispossession is to occur.

If there is a partial taking and the Lease continues, then the Lease shall end as to the part taken, and the Rent shall abate in proportion to the part of the Premises taken and Lessee's pro rata share shall be equitably reduced.

Lessee shall be permitted to make its own claim with the condemning authority for the value of its leasehold improvements and for the value of the unexpired term of the Lease.

19. **No Merger.** The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

20. **Waiver.** The waiver by Lessor or Lessee of any agreement, condition, or provision herein contained shall not be deemed to be a waiver of any subsequent or further breach of the same, or any other agreement, condition, or provision herein contained, nor shall any custom or practice that may arise between the parties in the administration of the terms hereof be construed to waive or to lessen the right of Lessor or Lessee to insist upon performance in accordance with said terms. The subsequent acceptance of Rent or Additional Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any agreement, condition, or provision of this Lease, other than the failure of Lessee to pay the particular Rent or Additional Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent or Additional Rent.

21. **Notices.** All notices and demands that may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States Mail, certified or registered, postage prepaid, or with a nationally recognized overnight courier, and addressed as follows: to Lessor, at 2020 Northpark, Suite 2D, Johnson City, TN 37604, Attention: Chief Manager, or at such other place as Lessor may from time to time designate in writing to Lessee; to Lessee, at 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention Risk Management, or at such other place as Lessee may from time to time designate in writing to Lessor.

22. **Estoppel Certificate.** At any time and from time to time, but on not less than ten (10) days' prior written request by Lessor, Lessee will execute, acknowledge, and deliver to Lessor and any Mortgagee, promptly upon request, a certificate certifying (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (ii) the date, if any, to which Rent,

Additional Rent, and any other sums payable hereunder have been paid, (iii) that no notice has been received by Lessee of any default that has not been cured, except as to defaults specified in said certificate, and (iv) such other matters as may be reasonably requested by Lessor. Any such certificate may be relied upon by a prospective purchaser or mortgagee of the Premises or any part thereof.

23. **Holding Over.** If, without objection by Lessor, Lessee holds possession of the Premises after the expiration of the term of this Lease, Lessee shall become a Lessee from month to month, upon the terms herein specified. Each party shall give the other written notice at least one (1) month prior to the date of termination of such monthly tenancy of its intention to terminate such tenancy. This Section shall in no way be deemed to give Lessee any right whatsoever to hold possession of the Premises after the expiration of the term hereof.

24. **Insurance.**

24.1 Lessee hereby agrees to use its best efforts to maintain in full force and effect at all times during the Term of this Lease, at its own expense, for the protection of Lessee and Lessor, as their interest may appear, policies of insurance issued by a responsible carrier or carriers that offer the following coverages:

(i) Comprehensive General and Professional Liability Insurance in an amount not less than \$1,000,000 per claim and \$3,000,000 in the aggregate;

(ii) Fire and Extended Coverage, Vandalism and Malicious Mischief (where applicable) insurance, to cover all the Premises; and

(iii) Worker's Compensation as required by Tennessee law; and

(iv) Business Interruption Insurance.

24.2 Lessee shall deliver to Lessor at least thirty (30) days prior to the time such insurance is first required to be carried by Lessee, and thereafter at least thirty (30) days prior to expiration of such policy, Certificates of Insurance evidencing the above coverage. Such Certificates shall name Lessor as an additional insured. Further, all Certificates shall provide that no less than thirty (30) days' prior written notice shall be given Lessor in the event of a material alteration to, or cancellation of, the coverages evidenced by such Certificates.

25. **Quiet Enjoyment.** Subject to the terms of this Lease and provided Lessee pays the Rent, Additional Rent, and any and all other sums due and payable hereunder, and performs all of the covenants and agreements herein contained, Lessee shall and may peaceably have, hold, and enjoy the Premises for the Term hereof.

26. **Entire Agreement.** There are no oral agreements between Lessor and Lessee affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between Lessor and Lessee or displayed by Lessor to Lessee with respect to the subject matter of this Lease. There are no representations between Lessor and Lessee other than those contained in this Lease.

27. **Revision of Lease; Alteration.** This Lease shall not be altered, changed, or amended except by an instrument in writing signed by both parties hereto.

28. **Miscellaneous.** The words "Lessor" and "Lessee" as used herein shall include the plural as well as the singular. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for Lease, and this instrument is not effective as a lease, or otherwise, until execution and delivery by both Lessor and Lessee. The agreements, conditions, and provisions herein contained shall, subject to the provisions herein as to assignment, apply to and bind the heirs, executors, administrators, successors, and assigns of the parties hereto. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed pursuant to the laws of the State of Tennessee. The captions used herein are provided only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Lease or the intent of any provision thereof.

29. **Liability for Previous Operations and Indemnification.** Lessor shall indemnify and hold Lessee and the managers, directors, officers, shareholders, members, employees, and agents of Lessee harmless from all loss, costs, and expense, including reasonable attorneys and paralegals fees at all levels of proceeding, including appeals, resulting from claims asserted against Lessee relative to Lessor's previous operation of the facility prior to Commencement Date of this Lease. Lessor shall be responsible for but not limited to, insured and uninsured claims, personal injury, medical malpractice or other tort claims and any and all claims against the Lessee by any person, firm, entity or governmental agency relating to Lessor operations prior to the Commencement Date of this Lease. Lessor shall be liable for, and shall make prompt payment to Lessee of any charge backs or audit adjustments, etc. related to third party payor programs, including Medicare and Medicaid for periods prior to the Commencement Date of this Lease.

30. **Schedules and Exhibits.** The schedules, exhibits and addenda, if any, attached to this Lease are by this reference made a part hereof.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Lease on the respective dates indicated below:

LESSEE

CHRISTIAN CARE CENTER OF
MILAN, LLC

By: Anita B West
Name: Anita B West, Secretary, Treasurer

Date of Execution
By Lessee: 1-3-18

LESSOR

GIBSON COUNTY REAL ESTATE
INVESTORS, LLC

By: [Signature]
Name: J.R. Lewis, Chief Manager

Date of Execution
By Lessor: 1-3-18

EXHIBIT A

DESCRIPTION OF THE PREMISES

Hilda T. Patterson, Register
Gibson County

Rec #: 66960
Rec'd: 15.00
State: 1776.00
Clerk: 1.00
EDP: 2.00
Total: 1794.00
Instrument #: 78407
Recorded
9/8/2006 at 4:20 PM
in Record Book
892
Pgs 1634-1636

This Instrument Prepared By
WILKERSON GAULDIN HAYES & JENKINS
Attorneys at Law
Post Office Box 220
Dyersburg, Tennessee 38025-0220

WARRANTY DEED

WE, RONALD GRAVES and wife, MONA GRAVES, do hereby convey unto D & B PROPERTIES, INC., a Tennessee corporation, a one-fourth (1/4) undivided interest; S. A. DEWITT, L.P., a Tennessee limited partnership, a one-fourth (1/4) undivided interest; PENNY GUTHRIE, a one-fourth (1/4) undivided interest; and MARK ROBERSON, a one-fourth (1/4) undivided interest, in and to the following described property:

Lying and being situated in the First (1st) Civil District of Gibson County, Tennessee, and being more particularly described as follows: BEGINNING at an iron rod in the north right of way of State Hwy. 45E, being the southeast corner of the B & N Storage, LLC, tract as recorded in Record Book 834, page 300 of the Register's Office for Gibson County, Tennessee, and the southwest corner and POINT OF BEGINNING of this herein described tract; runs thence north 03 degrees 45 minutes east along the east line of said B & N Storage, LLC tract, 706.88 feet to an iron rod in the south line of the Winford Vaughn tract as recorded in Record Book 581, page 139 of the Register's Office for Gibson County, Tennessee, being the northeast corner of said B & N Storage, LLC tract and the northwest corner of this herein described tract; runs thence north 81 degrees 12 minutes 03 seconds east, along the south line of said Vaughn tract, 752.89 feet to an iron rod in the west right of way of State Hwy. 45E, being the southeast corner of said Vaughn tract, and the northeast corner of this herein described tract; runs thence along the northwest right of way of State Hwy. 45E the following calls: south 18 degrees 17 minutes 16 seconds west, 88.38 feet; south 22 degrees 22 minutes 23 seconds west, 57.75 feet; south 28 degrees 26 minutes 05 seconds west, 152.60 feet; south 34 degrees 48 minutes 27 seconds west, 88.02 feet; south 40 degrees 36 minutes 58 seconds west, 110.26 feet; south 44 degrees 20 minutes 46 seconds west, 56.40 feet; south 47 degrees 54 minutes 32 seconds west, 94.41 feet to a concrete right of way post; runs thence south 56 degrees 26 minutes 38 seconds west, 523.65 feet to the POINT OF BEGINNING and containing 7.91 acres, more or less, according to a survey dated August 31, 2006, by William Mark McClure, TN RLS License No. 1333, Tru-Line Surveying, 4585 Hamer Road, Newbern, Tennessee 38059.

Being further identified as Map 176, Parcel 30.16, in the Tax Assessor's Office for Gibson County, Tennessee.


Being the same property conveyed to the Grantors by deed recorded in Record Book 838, page 792, in the Register's Office for Gibson County, Tennessee.

THE GRANTORS COVENANT that they are lawfully seized and possessed of said real estate, have a right to convey it, and warrant the title against all persons whomsoever, except as shown herein.

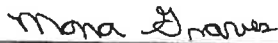
Said real estate is unencumbered with the exception of the 2006 County of Gibson and City of Medina real estate taxes, which are a lien but are neither due nor payable.

The consideration for this conveyance is Ten Dollars (\$10.00) cash in hand paid, and other good and valuable consideration not recited herein, the receipt and sufficiency of which is hereby acknowledged.

SIGNED this, the 8th day of September, 2006.



Ronald Graves



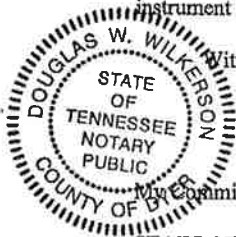
Mona Graves

STATE OF TENNESSEE

COUNTY OF Dyer

Before me personally appeared RONALD GRAVES, to me known (or proved to me on the basis of satisfactory evidence), to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Witness my hand and seal on this 8th day of September, 2006.



My Commission Expires: 2-19-07



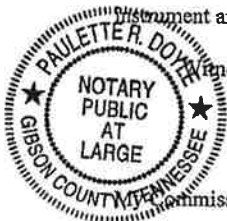
NOTARY PUBLIC

STATE OF TENNESSEE

COUNTY OF Gibson

Before me personally appeared MONA GRAVES, to me known (or proved to me on the basis of satisfactory evidence), to be the person described in and who executed the foregoing instrument and acknowledged that she executed the same as her free act and deed.

Witness my hand and seal on this 8th day of September, 2006.



My Commission Expires: 11/12/07



NOTARY PUBLIC

RESPONSIBLE FOR TAXES:

D & B Properties, Inc.

P.O. Box 427

Dyersburg, TN 38025-0220

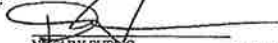
PROPERTY ADDRESS:

6565 Highway 45 South
Medina, TN 38355

I, or we hereby swear or affirm that to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$480,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.


Affiant

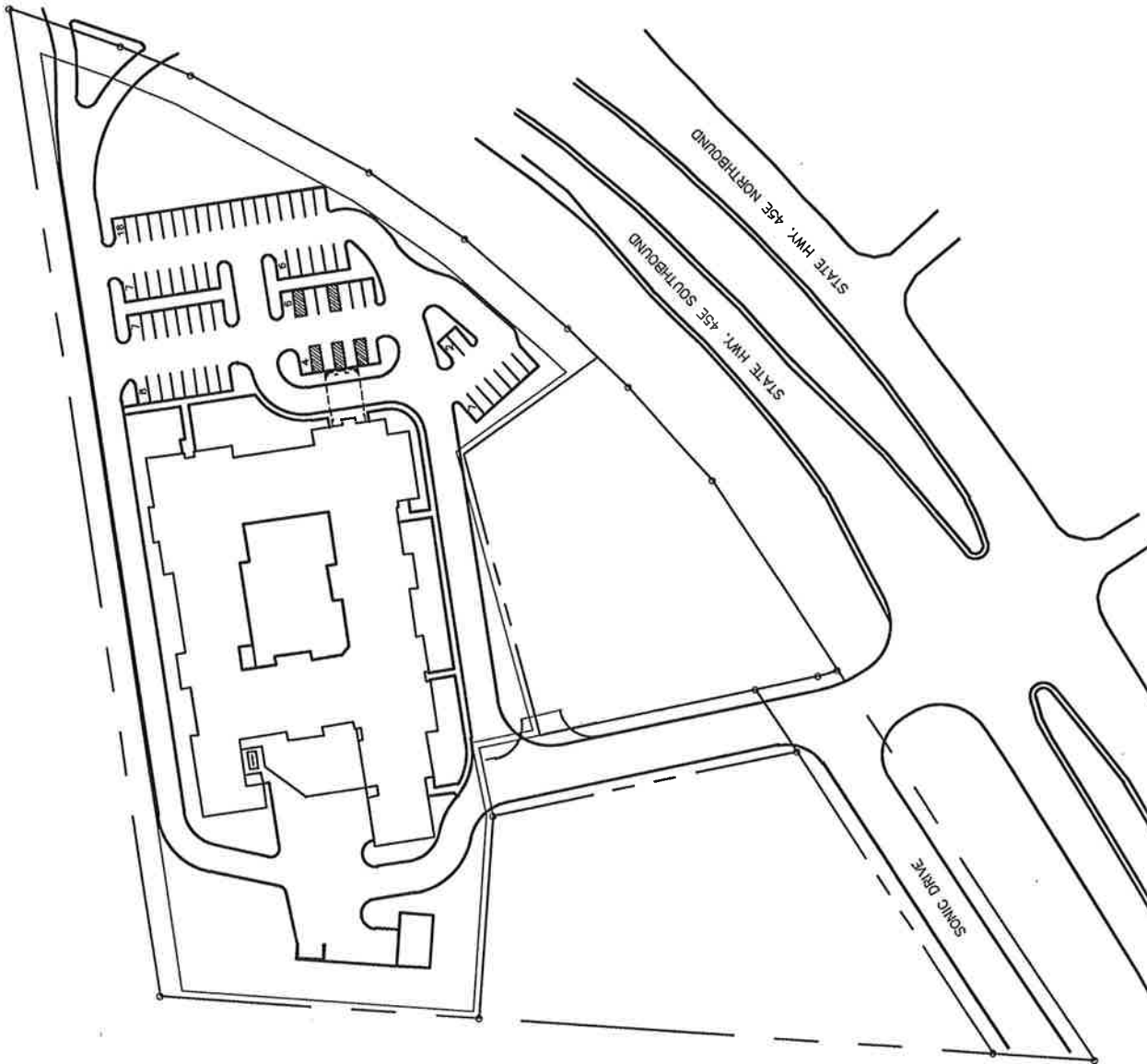
Sworn to and subscribed before me on this the 8th day
of September, 2006.


NOTARY PUBLIC

My commission expires: 2-19-07



G:\rcalcat\Files\Misc\dbpr005 - D & B Properties, Inc\Warranty Deed.doc



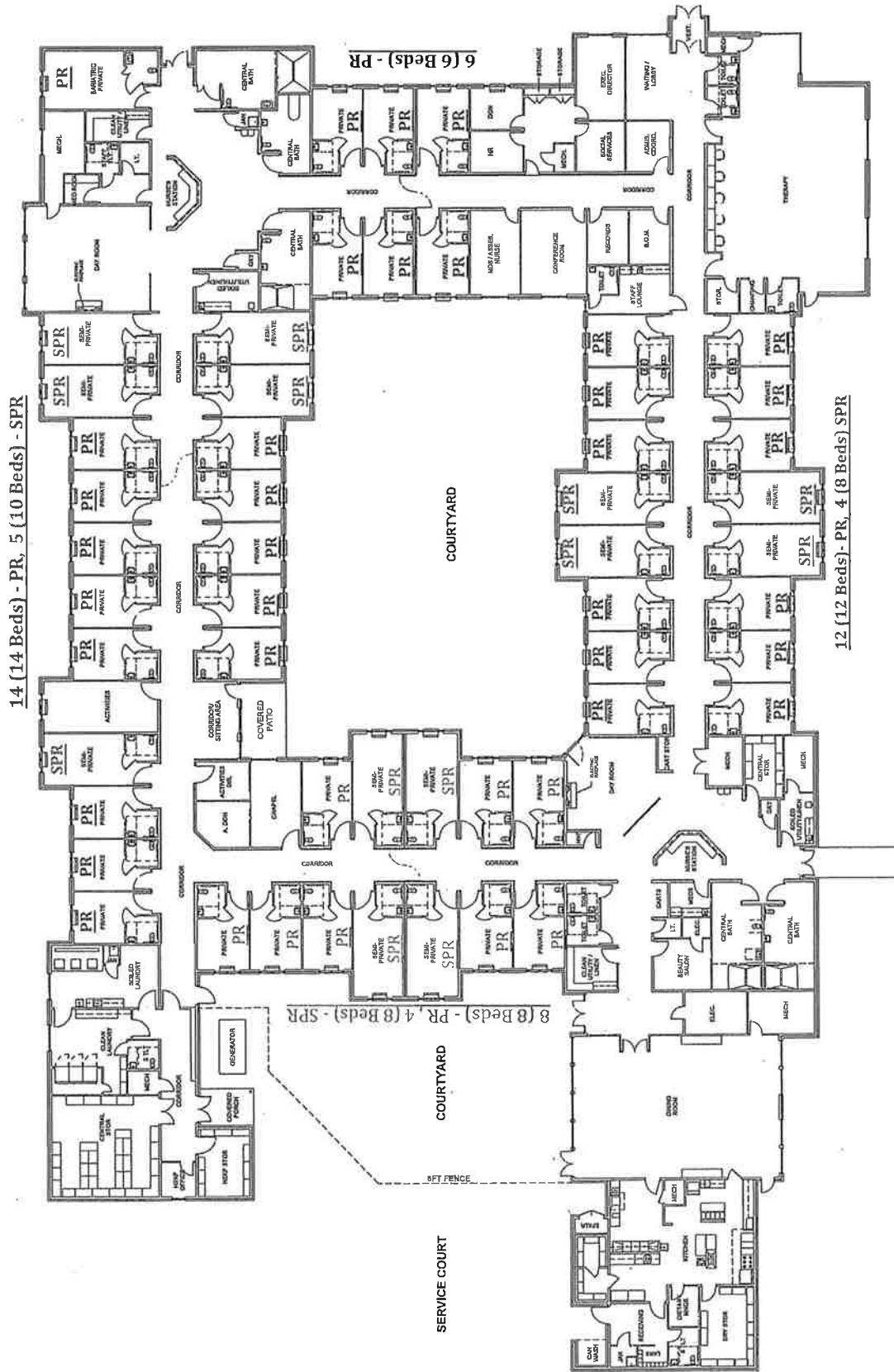
CHRISTIAN CARE CENTER OF MEDINA

PROPOSED SITE PLAN

MAIN BUILDING: 39,950
 MAINTENANCE BUILDING: 1,250
 TOTAL BUILDING AREA: 41,200

TOTAL LAND AREA:

6.09 acres



MAIN BUILDING: 39,661
 MAINTENANCE BUILDING: 1,250
 TOTAL BUILDING AREA: 41,111

CHRISTIAN CARE CENTER OF MEDINA

PROPOSED FLOOR PLAN

- 66 = Total Licensed Beds
- 40 = Private Rooms
- 13 = Semiprivate Rooms or 26 Beds

GIBSON COUNTY NURSING HOME UTILIZATION 2016

Facility	Total Licensed Beds	Total Days of Care	Licensed Occupancy	SNF Beds - Medicare	SNF/NF Beds - Dually Certified	NF Beds - Medicaid	Licensed Only Beds - Non- Certified	NF - ADC (Medicaid/ Level I Only)	SNF Medicare/ Level II ADC	NF - ADC (Total)	TennCare Level I Days of Care	Total Level I Days of Care	Medicare Total Days of Care	Total Level II Days of Care
Bailey Park Community Living Center	50	13,505	74.0%	0	50	0	0	20	12	12	7,170	8,963	4,242	4,542
Douglas Nursing Home	72	19,683	74.9%	0	72	0	0	4	3	3	1,432	17,739	1,266	1,944
Dyer Nursing and Rehabilitation Center	120	35,828	81.8%	0	120	0	0	1	11	87	238	31,789	4,039	4,039
Humboldt Healthcare and Rehab Center	89	17,701	54.5%	0	89	0	0	30	14	34	10,991	12,484	5,217	5,217
Humboldt Nursing and Rehabilitation Center	120	22,767	52.0%	0	120	0	0	2	7	55	751	20,145	2,622	2,622
NHC HealthCare, Milan	117	35,010	82.0%	0	65	52	0	32	25	49	11,810	18,038	9,276	16,972
Trenton Center	62	15,401	68.1%	0	62	0	0	0	8	33	0	12,089	2,971	3,312
W.D. Bill Manning Tennessee State Veterans'	140	48,283	94.5%	0	140	0	0	0	13	82	0	30,083	4,833	18,200
_COUNTY TOTAL	770	208,178	74.1%	0	718	52	0	89	94	413	32,392	151,330	34,466	56,848

GIBSON COUNTY NURSING HOME UTILIZATION 2015

Facility	Total Licensed Beds	Total Days of Care	Licensed Occupancy	SNF Beds - Medicare	SNF/NF Beds - Dually Certified	NF Beds - Medicaid	Licensed Only Beds - Non- Certified	NF - ADC (Medicaid/ Level I Only)	SNF Medicare/ Level II ADC	NF - ADC (Total)	TennCare Level I Days of Care	Total Level I Days of Care	Medicare Total Days of Care	Total Level II Days of Care
Bailey Park Community Living Center	50	16,763	91.9%	0	50	0	0	0	15	30	0	10,779	5,597	5,984
Douglas Nursing Home	72	22,084	84.0%	0	72	0	0	2	6	50	568	18,373	2,265	3,711
Dyer Nursing and Rehabilitation Center	120	34,843	79.6%	0	120	0	0	1	10	85	387	31,142	3,701	3,701
Humboldt Healthcare and Rehab Center	89	18,247	56.2%	0	89	0	0	3	13	37	1,231	13,532	4,651	4,715
Humboldt Nursing and Rehabilitation Center	120	29,043	66.3%	0	120	0	0	2	11	69	860	25,137	3,906	3,906
Milan Health Care Center	66	19,126	79.4%	0	66	0	0	0	2	49	101	17,859	886	1,267
NHC HealthCare, Milan	114	38,591	92.7%	0	62	52	0	54	27	71	19,694	25,755	10,020	12,836
Tennessee State Veterans' Home	140	47,270	92.5%	0	140	0	0	0	17	83	0	30,435	6,043	16,835
Trenton Center	62	3,573	15.8%	0	62	0	0	30	5	32	2,796	2,904	490	669
_COUNTY TOTAL	833	229,540	75.5%	0	781	52	0	93	107	506	25,637	175,916	37,559	53,624

GIBSON COUNTY NURSING HOME UTILIZATION 2014

Facility	Total Licensed Beds	Total Days of Care	Licensed Occupancy	SNF Beds - Medicare	SNF/NF Beds - Dually Certified	NF Beds - Medicaid	Licensed Only Beds - Non- Certified	NF - ADC (Medicaid/ Level I Only)	SNF Medicare/ Level II ADC	NF - ADC (Total)	TennCare Level I Days of Care	Total Level I Days of Care	Medicare Total Days of Care	Total Level II Days of Care
Bailey Park Community Living Center	50	16,702	91.5%	0	50	0	0	26	13	31	9,478	11,431	4,831	5,271
Douglas Nursing Home	72	23,283	88.6%	0	72	0	0	0	6	54	107	19,839	2,031	3,444
Dyer Nursing and Rehabilitation Center	120	35,957	82.1%	0	120	0	0	1	10	88	246	32,198	3,759	3,759
Humboldt Healthcare and Rehab Center	89	20,145	62.0%	0	89	0	0	0	9	46	0	16,956	3,189	3,189
Humboldt Nursing and Rehabilitation Center	120	31,558	72.1%	0	120	0	0	61	8	75	22,399	27,465	2,858	4,093
Milan Health Care Center	66	20,065	83.3%	0	66	0	0	0	2	51	0	18,849	906	1,416
NHC HealthCare, Milan	122	34,388	77.2%	0	70	52	0	51	25	289	18,788	105,424	8,988	12,953
Tennessee State Veterans' Home	140	48,727	95.4%	0	140	0	0	0	20	0	0	0	0	48,727
Trenton Center	62	14,907	65.9%	0	62	0	0	0	7	33	0	12,015	2,425	2,892
_COUNTY TOTAL	841	245,732	80.1%	0	789	52	0	140	99	668	51,018	243,977	36,296	85,744

SERVICE AREA POPULATION AND DEMOGRAPHICS -- 4 YEAR HORIZON (2022) TARGET POPULATION 65+

Demographic Variable/ Geographic Area	Department of Health/Health Statistics						Bureau of the Census				TennCare		
	Total Population-Current Year (2018)	Total Population-Projected Year (2022)	Total Population-% Change	*Target Population (65+)- Current Year	*Target Population-Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Person Below Poverty Level*	Person Below Poverty Level as % of Total	TennCare Enrollees	TennCare Enrollees as % of Total
Gibson County	51,934	52,612	1.31%	9,794	10,673	8.97%	20%	40.3	\$38,854	9,712	18.7%	12,932	24.9%
Primary Service Area Total	51,934	52,612	1.31%	9,794	10,673	8.97%	20%	40.3	\$38,854	9,712	18.7%	12,932	24.9%
State of TN Total	6,960,524	7,263,893	4.36%	1,175,938	1,362,320	15.85%	19%	38.5	\$46,574	1,197,210	17.2%	1,461,921	21.0%

*The Census Bureau website does not provide the number of persons below poverty level. The totals in this column are calculated by percentage of individuals below poverty level in 2016 divided by total population in 2018.

Sources: <http://www.tn.gov/health/article/statistics-population>; <http://www.tn.gov/tenncare/topic/enrollment-data>; <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

SERVICE AREA POPULATION AND DEMOGRAPHICS -- 2 YEAR HORIZON (2020) TARGET POPULATION 65+

Demographic Variable/ Geographic Area	Department of Health/Health Statistics					Bureau of the Census					TennCare		
	Total Population-Current Year (2018)	Total Population-Projected Year (2020)	Total Population-% Change	*Target Population (65+)- Current Year	*Target Population-Project Year	*Target Population-% Change	Year as % of Total	Median Age	Median Household Income	Person Below Poverty Level*	Person Below Poverty Level as % of Total	TennCare Enrollees	TennCare Enrollees as % of Total
Gibson County	51,934	52,438	0.97%	9,794	10,255	4.71%	20%	40.3	\$38,854	9,712	18.7%	12,932	24.9%
Primary Service Area Total	51,934	52,438	0.97%	9,794	10,255	4.71%	20%	40.3	\$38,854	9,712	18.7%	12,932	24.9%
State of TN Total	6,960,524	7,112,424	2.18%	1,175,938	1,267,962	7.83%	18%	38.5	\$46,574	1,197,210	17.2%	1,461,921	21.0%

*The Census Bureau website does not provide the number of persons below poverty level. The totals in this column are calculated by percentage of individuals below poverty level in 2016 divided by total population in 2018.

Sources: <http://www.tn.gov/health/article/statistics-population>; <http://www.tn.gov/tenncare/topic/enrollment-data>; <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>



December 7, 2017

RE: Christian Care Center of Medina

TO WHOM IT MAY CONCERN:

We verify that the Estimated Construction Cost of \$7,194,425.00 is reasonable for this facility.

This proposed facility will be designed and constructed to comply with the Building Codes adopted by Tennessee State Health Department (Department of Tennessee Health Care Facilities) listed below:

- 2012 International Building Code
- 2012 International Fire Code
- 2012 International Mechanical Code
- 2012 International Plumbing Code
- 2012 International Fuel Gas Code
- 2012 NFPA 101 Life Safety Code
- 2011 NFPA 70 National Electric Code
- 2010 ADA Standards for Accessible Design
- 2010 Guidelines for Design and Construction of Health Care Facilities

Respectfully,

A handwritten signature in black ink that reads 'Ken Ross'. The signature is written in a cursive, flowing style.

Ken Ross

KR/pr



January 4, 2018

Gibson County Real Estate Investors, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604

Dear Mr. Lewis,

We have had favorable preliminary discussions with Gibson County Real Estate Investors, LLC regarding the planned construction of a 66 bed, skilled nursing facility in Medina, TN. Based on those discussions a proposed loan amount of \$10,172,314 is being considered, with an interest rate of 5.50%. The proposed loan terms will consist of interest only during the construction period of 18 months, then converting to monthly principal and interest payments based on a 20 year amortization. These proposed terms are subject to the issuance of a Replacement Facility Certificate of Need and the standard restrictions and conditions of a Commitment Letter.

Sincerely,

A handwritten signature in cursive script that reads "Scarlett M. Dale".

Scarlett M. Dale, SVP
Carter County Bank A
Division of Bank of Tennessee



January 4, 2018

Christian Care Center of Medina, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604

Dear Mr. Lewis,

We have had favorable preliminary discussions with Christian Care Center of Medina, LLC regarding a one (1) year renewable Operating Line of Credit for the operation of a 66-bed Skilled Nursing Facility in Medina, TN. Based on those discussions a proposed loan amount of \$1,000,000 is being considered, with an interest rate of Wall Street Journal Prime, subject to the issuance of a Replacement Facility Certificate of Need and the standard restrictions and conditions of a Commitment Letter.

Sincerely,

A handwritten signature in cursive script, reading "Scarlett M. Dale".

Scarlett M. Dale, SVP
Carter County Bank A
Division of Bank of Tennessee

Intended or potential vendor contracts –

Milan General Hospital (Resident Transfer)
4039 Highland Street
Milan, TN 38358

Jackson Madison County General Hospital (Resident Transfer)
620 Skyline Drive
Jackson, TN 38301

West Tennessee Healthcare (Resident Transfer)
620 Skyline Drive
Jackson, TN 38301

Tennova Healthcare Regional Jackson (Resident Transfer)
367 Hospital Boulevard
Jackson, TN 38305

CHS Regional Hospital of Jackson (Resident Transfer)
37 Sandstone Drive
Jackson, TN 38305

Medical Center Laboratory (Laboratory Services)
620 Skyline Drive
Jackson, TN 38301

Atrium Pharmacy (Pharmaceutical Services)
260 West Main Street, #103
Hendersonville, TN 37075

LabCorp (Laboratory Services)
159 North Star Drive
Jackson, TN 38305

Emergency Mobile Health Care (Emergency Transport)

2692 North Highland Avenue
Jackson, TN 38305

Medical Center EMS (Emergency Transport)
620 Skyline Drive
Jackson, TN 38301

Quality Mobile XRay (Mobile Radiology)
640 Grassmere Park, #116
Nashville, TN 37211

Functional Pathways of Tennessee (Therapy Services)
10122 Sherrill Boulevard, #200
Knoxville, TN 37932

Wellness Solutions (Mental Health)
73 White Bridge Road, #103-243
Nashville, TN 37205

Claxton Dietetic Solutions (Registered Dietician Services)
7768 Devonshire Drive
Knoxville, TN 37919

Encore Healthcare (Respiratory Services Specialist)
104b West Court Square
Livingston, TN 38570

Vohra Post Acute Physicians (Wound Care Specialists)
3601 SW 160th Avenue, \$250
Miramar, FL 33027

Reinhart Food Service (Food Service Provider)
100 Harborview Plaza
La Crosse, WI 54601

InPatient Consultants of Tennessee (Medical Director Services)

PO Box 844929
Los Angeles, CA 90084

360 Care (Specialty Medical Care – Optometry, Dental, Audiology, etc.)
3255 Levis Common Boulevard
Perrysburg, OH 43551

January 24, 2018

CHRISTIAN CARE CENTER OF MILAN, LLC
2020 NORTHPARK
SUITE 2D
JOHNSON CITY, TN 37604

Facility Type: Nursing Home
License Number: 308

Dear Administrator:

Your letter of January 23, 2018 regarding the legal entity change from Christian Care Center of Milan, LLC to Christian Care Center of Medina, LLC effective January 3, 2018 is acknowledged.

A license will be forwarded to your facility within the next seven to ten days.

If I can be of further assistance to you please call me at (615) 741-7539.

Sincerely,



Linda McLearn, ASAIH
Office of Health Care Facilities
Licensure Section

cc: file



December 13, 2017

CHRISTIAN CARE CENTER OF MILAN, LLC
2020 NORTHPARK
SUITE 2D
JOHNSON CITY, TN 37604

Facility Type: Nursing Home
License Number: 308

Dear Administrator:

It is my pleasure to inform you that your application for change of ownership of Christian Care Center of Milan located at 8060 Stinson Road, Milan, Tennessee 38358 has been initially approved effective July 21, 2017. The license number shall be 308. For this initial approval to become final and permanent, your application must be ratified by the Board pursuant to T.C.A. §68-11-206. The Board will consider your application at its next meeting, scheduled for February 7-8, 2018. You are hereby authorized to commence operation pending the final decision of the Board. No further action is necessary on your part at this time.

If the Board **does** ratify the approval of your application, the license number listed above will become your permanent license number and a letter will be forwarded to you within three (3) business days; notifying you of the Board's final decision.

If the Board **does not** ratify the initial approval of your application, a letter will be forwarded to you providing an explanation and specific instructions as to any action(s) you may take to have the decision reviewed, at which time this authorization shall cease to be effective.

Please contact me if I can be of further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Linda McLearn", written over a horizontal line.

Linda McLearn, ASAIII
Office of Health Care Facilities
Licensure Section

cc: West Tennessee Regional Administrator



REGIONAL OFFICE:
1057 Green Acres Road, Joelton, TN 37080

CARE CENTERS MANAGEMENT CONSULTING, INC.

2020 Northpark, Suite 2D • Johnson City, TN 37604-3127 • Ph. 423-975-5455 • Fax. 423-975-5405

December 8, 2017

Ms. P. Diane Carter, RN, LNCC
Public Health Regional Regulatory Program Manager
Health Care Facilities
West Tennessee Regional Office
2975 Highway 45 Bypass, Suite C
Jackson, TN 38305

Dear Ms. Carter,

Enclosed is the complete plan of correction (which includes ALL cited licensure tags) for the recertification survey, which included a complaint investigation, for Milan Health Care Center dated between September 26th - November 4th, 2016.

Milan Health Care Center is currently closed and has no residents, staff, and the cited building is not being occupied. The facility was sold to a new operator. The new facility operator will never reopen the facility in its current building or location. Plans are being developed for the new owner/operator to construct a nice brand-new replacement facility at a different location within the same county.

As Milan Health Care Center closed, and their management company, Cornerstone are no longer operating the facility, this plan of correction is being drafted by the new operator, Christian Care Center of Milan, LLC for the prior operator and management company of Milan Health Care Center and is intended to draft a plan of correction that would have been conducted to correct the issues cited to the prior operator, Milan Health Care.

If you have any questions or need additional information, please feel free to contact me at the numbers listed above.

Sincerely,

George Sandy Deakins, MPH, NHA
Vice President of Client Operations Consulting Services
Care Centers Management Consulting, Inc.
sandydeakins@carecenters.net

Enclosure

sed

"Commitment to Caring"

Isaiah 46:4 *Even when you're old, I'll take care of you. Even when your hair turns gray, I'll support you.
I made you and will continue to care for you. I'll support you and save you.*

**Attachment B, Orderly
Development, 4, B**



December 12, 2017

Mr. George Sandy Deakins, MPH, NHA
Vice President of Client Operations Consulting Services
Care Centers Management Consulting, Inc.
2020 Northpark, Suite 2D
Johnson City TN 37604-3127

RE: Compliance Notice - Licensure Survey
Milan Health Care Center
8060 Stinson Road
Milan TN 38358

Dear Mr. Deakins:

The West Tennessee Regional Office of Health Care Facilities completed a licensure survey at Milan Health Care Center on November 04, 2016. Based on a review of the plan of correction for deficiencies cited on the survey, we are accepting your plan of correction and assume your facility is in compliance with all participation requirements as of 11/16/2017.

We are returning the certification portion of the plan of correction for both health and life safety as we are unable to review the certification corrections for a non-certified facility.

If you have any questions or comments, please contact the West Tennessee Regional Office.

Sincerely,

A handwritten signature in cursive script that reads 'P. Diane Carter'.

P. Diane Carter, RN, LNCC
Public Health Regional Regulatory Program Manager

PDC/rm

Handwritten initials 'Rm' in cursive script.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TN2706	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING: _____	(X3) DATE SURVEY COMPLETED R 12/12/2017
NAME OF PROVIDER OR SUPPLIER MILAN HEALTH CARE CENTER		STREET ADDRESS, CITY, STATE, ZIP CODE 8060 STINSON ROAD MILAN, TN 38358		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
{N 000}	Initial Comments Based on an acceptable plan of correction, the facility is in compliance with all licensure deficiencies cited during the survey completed 11/4/16 for a Licensure survey and complaint investigations #TN00039437, #TN00038530, and #TN00039099 conducted 9/26/16 through 11/4/16,	{N 000}		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Washington

Anita West, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

Anita West Secretary, CFO
SIGNATURE/TITLE

Sworn to and subscribed before me the 7th day of February, 2018 a Notary Public for
Washington County, Tennessee.

Denise D. Eith
NOTARY PUBLIC

My commission expires October 29, 2019





State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

March 1, 2018

Mr. Jerry Taylor, Esq.
Burr and Forman, LLP
222 Second Avenue South, Suite 2000
Nashville, TN 37201

RE: Certificate of Need Application – Christian Care Center f/k/a Milan Health Care Center - CN1802-006

The relocation of Christian Care Center of Medina, f/k/a Milan Health Care Center, a 66 bed dually certified nursing home, from its current location at 8060 Stinson Road, Milan (Gibson County), TN to an undeveloped site approximately 10 miles away on State Highway 45E and Sonic Drive in or near the city limits of Medina (Gibson County), TN. The proposed newly constructed facility is under new ownership and renamed Christian Care Center of Medina. The applicant is owned by Christian Care Center of Medina, LLC (J.R Lewis, Sole member). The estimated project cost is \$10,172,313.

Dear Mr. Taylor:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1607, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project began on March 1, 2018. The first 60 days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the 60-day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review. You will receive a copy of their findings. The Health Services and Development Agency will review your application on June 27, 2018.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie M. Hill". The signature is fluid and cursive, with the first name "Melanie" being more prominent than the last name "Hill".

Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA




State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: Melanie M. Hill 
Executive Director

DATE: March 1, 2018

RE: Certificate of Need Application
Christian Care Center - CN1802-006

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on March 1, 2018 and end on May 1, 2018.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: Jerry Taylor



2018 FEB 6 PM 3:00

LETTER OF INTENT TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Milan Mirror Exchange which is a newspaper of general circulation in Gibson County, Tennessee, on or before February 6, 2018 for one day.

=====

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that Christian Care Center of Medina, LLC, a Tennessee Limited Liability Company which will have a management consulting agreement with Care Centers Management Consulting, Inc., intends to file an application for a Certificate of Need for the relocation of Christian Care Center of Medina, f/k/a Milan Health Care Center and the construction of a replacement facility. The facility is currently located at 8060 Stinson Road, Milan, Gibson County, Tennessee. The location for the proposed replacement facility is an undeveloped site on State Highway 45E and Sonic Drive in or near the city limits of Medina, Gibson County, Tennessee. The facility is currently licensed for 66 skilled nursing beds by the Tennessee Board for Licensing Health Care Facilities, and the beds and facility will retain this licensure status. No new services are being initiated, and no additional beds are sought. The total estimated project cost is \$10,200,000.00.

The anticipated date of filing the application is February 9, 2018.

The contact person for this project is Jerry W. Taylor, Attorney who may be reached at: Burr & Forman, LLP, 222 Second Avenue South, Suite 2000, Nashville, Tennessee, 37201, 615-724-3247; jtaylor@burr.com

Signature

Date

2-6-18

The published Letter of Intent contains the following statement: Pursuant to T.C.A. § 68-11-1607(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

=====

*

Supplemental #1 (Original)

Christian Care Center Of
Medina

CN1802-006

FEB 26 18 42 00

Supplemental #1

February 26, 2018

2:00 P.M.

SUPPLEMENTAL REPONSES

CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF MEDINA

**The Relocation and Replacement of a 66 Bed
Skilled Nursing Facility**

Gibson County, Tennessee

Project Number CN1802-006

February 26, 2018

Contact Person:

**Jerry W. Taylor, Esq.
Burr & Forman, LLP
222 2nd Avenue South, Suite 2000
Nashville, Tennessee 37201
615-724-3247**

1. Section A, Executive Summary, Overview, A.1. Overview, Page 2

Please describe the experience the applicant has in operating a skilled nursing home.

The applicant is a newly formed entity and has no direct experience in operating a SNF. However its sole member is J. R. "Randy" Lewis who has over 35 years of experience in owning and operating nursing homes through affiliated companies.

CCC of Medina will have a management consulting agreement with Care Centers Management Consulting, Inc. The sole shareholder of Care Centers Management Consulting, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

Care Centers Management Consulting, Inc. and its affiliates are experienced operators of long term care facilities, operating seven skilled nursing facilities in Tennessee, and one in Kentucky. Care Centers' affiliated SNFs average 2.2 annual survey deficiencies.

A company biography of Care Centers Management Consulting is attached following the response to Question 4, below.

It is noted Christian Care Center of Medina was acquired by Christian Care Center of Milan, LLC on July 21, 2017 with operations voluntarily suspended and the licensed placed in inactive status. Please indicate the number of patients that were residing in Christian Care Center of Medina on July 21, 2017 and where the patients transitioned to?

Milan Health Care Center was acquired by Christian Care Center of Milan, LLC on July 21, 2017. The name of Christian Care Center of Milan, LLC was subsequently changed to Christian Care Center of Medina, LLC.

At the time CCC of Medina acquired Milan Health Care Center, operations had been suspended and there were no patients in the facility. The former owner coordinated with the Department of Health in transitioning the patients. The applicant does not know the destinations of the transitioned patients.

Please provide a copy of the letter from the Department of Health thereby placing the license of Christian Care Center of Medina and/or Milan HCC into inactive status.

A copy of the letter approving Inactive Status to Christian Care Center of Medina, f/k/a Milan Health Care Center, License No. 308, is attached following this response. Also attached is a copy of License No. 308, which is now in the name of Christian Care Center of Medina.

February 26, 2018

2:00 P.M.



June 21, 2017

Michaela D. Poizner
Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C.
P.O. Box 190613
Nashville, TN 37219

RE: Inactive Status- Milan Health Care Center, Milan, License #308

Dear Ms. Poizner:

The Board for Licensing Health Care Facilities met on June 7, 2017. The following request was granted:

TO ALLOW MILAN HEALTH CARE CENTER, MILAN, LICENSE #308, TO BE PLACED ON INACTIVE STATUS UNTIL THE JUNE 2018 BOARD FOR LICENSING HEALTH CARE FACILITIES MEETING.

Board action was taken in accordance with Section 68-11-206, Chapter 11, Tennessee Code Annotated, which gives the Board authority to place a license in an inactive status for a period determined by the Board upon finding that:

- the licensee has a need to temporarily suspend operations;
- the licensee intends to continue operations for a period of suspension.

Any facility that has not placed its license back in an active status before the expiration of the inactive timeframe will then notify the Board for Licensing Health Care Facilities in writing requesting an extension. The inactive status extension request will be presented at the next scheduled Board meeting.

Facilities that have been granted an inactive status and who are now wishing for their license to be placed back in an active status shall notify the Board for Licensing Health Care Facilities in writing that they are now meeting all requirements.

Sincerely,

A handwritten signature in black ink that reads "Ann R. Reed".

Ann Rutherford Reed, RN, BSN, MBA
Director of Licensure
Division of Health Care Facilities

ARR/weh

cc: WTRO
Lonnie Matthews
Trent Sansing
Cheryl Hines
Dolores Willis
File

Board for Licensing Health Care Facilities



State of Tennessee

License No. 0000000308

No. Beds 0066

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

CHRISTIAN CARE CENTER OF MEDINA, LLC to conduct

and maintain a Nursing Home CHRISTIAN CARE CENTER OF MEDINA

Located at 8060 STINSON STREET, MILAN

County of GIBSON, Tennessee.

This license shall expire JULY 16, 2018 and is subject to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State

this 13TH day of DECEMBER, 2017.



By Vincent J. Davis, MPH
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By [Signature]
COMMISSIONER

Supplemental #1
February 26, 2018
2:00 P.M.

Please provide a description of the amenities provided by the proposed facility that promotes resident independence, organized activities, resident privacy, and a residential home-like environment, while at the same time maximizing safety. Also, please provide a brief description of the physical plant and the type of rehabilitation services available.

The proposed amenities listed below are designed to allow residents freedom of movement, outdoor enjoyment, independence, personal space and privacy, and spiritual wellbeing. Christian Care Center of Medina will feature spacious rooms with a home-like environment, accompanied by state of the art healthcare services to include occupational, speech and physical therapy services, respiratory program, specialized pharmacy services, nutritional, mental wellness, & wound care services. Christian Care Center of Medina contracts with many specialty services, bringing as many of those on site as possible, enhancing the convenience of those services for the residents. Such services may include dental, optometry, podiatry and mobile radiology services. Proposed amenities include:

2 Court Yards

Putting Green

2 Dayrooms with game tables, supervised crafting

Covered Patio

Courtyard Gazebo

40 Private Rooms/Bed Accommodations

13 Semiprivate Rooms/Beds Accommodations

Bariatric Patient Accommodations

State of the Art Therapy Room, Equipment & Services

Chapel with Services to Residents

Fireplaces in common areas

Spacious accommodations - increasing size of the facility from the current 17,268 sq. ft. to the new building size of 38,929 sq. ft.

Increased room sizes - current private rooms from 110 sq. ft. to the proposed 234 sq. ft.; semiprivate rooms from 187 sq. ft. to the proposed 324 sq. ft.

Designer decorated to create home-like atmosphere; encourage personal décor (that complies with safety standards) to enhance home-like atmosphere

Situated on 6+ acres allowing for outdoor activities on site

Courtyard Gardening – for those outdoors gardening lovers

Designated Areas for resident/family privacy

Technology friendly facility – offering facility wide internet; televisions in all resident rooms, dayrooms with a vast selection of channel sources

Beauty/ Barber Shop services

Using Medicare Nursing Home Compare, please complete the following chart for nursing homes located in Gibson County. The data can be found at the following web-site:

<https://www.medicare.gov/nursinghomecompare/search.html>

Nursing Home	Overall Star Rating	Star Rating Health of Inspections	Star Rating of Staffing	Star Rating of Quality Measures
Bailey Park Community Living Center	1	1	N/A	4
Douglas Nursing Home	2	2	3	4
Dyer Nursing and Rehabilitation Center	4	3	4	2
Humboldt Healthcare and Rehab Center	5	4	N/A	5
Humboldt Nursing and Rehabilitation Center	2	2	3	2
NHC HealthCare, Milan	4	4	4	4
Trenton Center	3	2	4	2
W.D. Bill Manning Tennessee State Veterans' Home	4	3	4	3

2. Section A, Applicant Profile, A.6, Project Cost, Page 3

It is noted the largest cost component is land acquisition and construction costs totaling \$7,959,425. When added from the Project Costs Chart the total is different than \$7,959,425. Please re-verify the amount.

This amount includes land acquisition (\$575,000), preparation of site (\$190,000), and construction (\$7,194,425). This totals \$7,959,425.

3. Section A, Executive Summary, Item B.3 Appropriate Quality Standards, Page 5

Please provide a listing of the long-term facilities the applicant owns and/or operates. In the listing, please indicate if the applicant owns or operates each facility and the period of time.

The applicant, Christian Care Center of Medina, LLC, is a newly formed entity and neither owns nor operates any other SNFs. The sole member of Christian Care Center of Medina, LLC is J. R. "Randy" Lewis.

CCC of Medina will have a management consulting agreement with Care Centers Management Consulting, Inc. The sole shareholder of Care Centers Management Consulting, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

Care Centers Management Consulting, Inc. and its affiliates are experienced operators of long term care facilities, operating seven skilled nursing facilities in Tennessee, and one in Kentucky.

The SNFs affiliated with Care Centers Management Consulting, Inc. ("CCMC") are:

Facility	State of License	Mgt. Consulting Services Date	Management	Operator
Agape Nursing & Rehabilitation Center	TN	09/02/14	CCMC	Agape Nursing & Rehabilitation Center, LLC
Christian Care Center of Bristol	TN	09/06/17	CCMC	Christian Care Center of Bristol,

				LLC
Christian Care Center of Memphis	TN	11/19/15	CCMC	Oaktree Health and Rehabilitation Center, LLC, d/b/a Christian Care Center of Bristol
Christian Care Center of Kuttawa	KY	04/01/09	CCMC	Christian Care Center of Kuttawa, LLC
Christian Care Center of McKenzie	TN	07/21/17	CCMC	Christian Care Center of McKenzie, LLC
Sweetwater Health and Rehabilitation Center	TN	11/01/01	CCMC	Sweetwater Nursing Center, Inc., d/b/a Sweetwater Nursing and Rehabilitation Center
Durham-Hensley Health and Rehabilitation	TN	08/02/04	CCMC	K.D.M., Inc., d/b/a Durham-Hensley Health and Rehabilitation
Ivy Hall Nursing Home	TN	10/01/03	CCMC	Ivy Hall, Inc., d/b/a Ivy Hall Nursing Home

4. Section A, Project Details, Item 5. Management/Operating Entity, Page 6

Please provide a brief overview of Care Centers Management Consulting, Inc. and their experience in managing nursing homes.

Please see the immediately preceding response.

A company biography of Care Centers Management Consulting is attached following this response.

THE MANAGEMENT COMPANY

Care Centers Management Consulting, Inc. was founded in 1988 by Mr. J.R. Lewis.

Care Centers, now beginning its thirtieth year of operation, is successfully managing / consulting seven skilled nursing facilities located in Tennessee and one in Kentucky. Consulting services include, but are not limited to clinical compliance and management, billing, accounting, plant operations, risk management and other miscellaneous administrative duties.

Care Centers Management Consulting is a full service long-term care company providing financial, accounting reimbursement consulting, staff development and quality assurance services to nursing facilities. Utilizing a highly-organized and controlled approach, we maintain a consistent high quality patient care while providing facility owners with a dependable and reasonable rate of return on their investments.

OUR MISSION STATEMENT

Care Centers Management Consulting, Inc. is "Committed to Caring" for our residents. We strive to economically provide superior quality management / consulting services while maintaining an atmosphere pleasant to the residents. We truly believe that even though our current technology has been critical in the advancement of the long-term care industry, people still make the difference. Our mission is to find that intricate balance between technology and humanity, to combine their strengths, and produce superior healthcare with a quality of life focus.

Care Centers Management Consulting expects each and every facility employee and consultant employee to demonstrate the philosophy - "Committed to Caring". This can best be accomplished by focusing on economically providing the highest possible quality of life for each individual resident. Quality of life for every cognizant human being includes but is not limited to the following elements:

- Maintenance of the resident's best possible physical condition with a minimal amount of discomfort and pain;
- Regular exercise and movement of the resident's body parts to maintain maximum daily living functional potential;
- Maximum personal control by involvement of the resident in self-care and the decision making regarding one's self;
- Demonstration of total respect by all staff for the resident in an atmosphere of kindness and cheerfulness with ample opportunities provided to the resident for relating with others in a respectful, serious, supportive, positive and

constructive way;

- As best we can in a congregate living environment provide maximum resident privacy and personal space with time for introspection as well as one-on-one and group social interactions;
- Provision of personal grooming and dress that not only provides for proper hygiene but also projects a resident's preferred personal look and style;
- Provision of activities and educational opportunities according to the resident's needs and the resident's personal interests, hobbies, etc.;
- Provision of nourishing food that meets the dietary needs of the resident and that, as best we possibly can within prescribed dietary guidelines, is also tasty and pleasing to the resident;
- Never stop trying to please and to satisfy the unique individual desires and needs of each and every resident.

No one person or one department can successfully meet all the needs of an individual resident. Teamwork is an absolute necessity if the facility is to provide a high quality of life. Every department and each employee is a vital and integral part of the total effort. Indeed each employee contributes greatly to the superior quality of life the residents can expect when managed by Care Centers Management Consulting.

ORGANIZATION STRUCTURE

The Care Centers Management Consulting staff are highly skilled individuals with numerous years experience tailored specifically to the long-term care industry.

Using the expertise of each individual within Care Centers Management Consulting, facility development is obtained using the following approach:

- **Visibility** - Maintaining complete operational visibility at all times. This ensures quick management / consulting response time and maintains control from the top down. All departments report independently and directly to the President.
- **Departmental Independence** - Ensures proper internal control and provides for integrity of information flow.
- **Service Safety Net** - Providing a safety net of services ensuring all facets of the nursing facility operation are effectively addressed thus preventing the "slipped through the crack" syndrome. As the industry requirements and needs of the individual facilities evolve, Care Centers Management Consulting makes appropriate strategically and organizational changes to

- ensure the quality and compliance of the facility's services are maintained at a superior level.
- High Personnel Standards - Care Centers Management Consulting's standards are well disciplined and exceptionally high. We only employ appropriately educated individuals with required levels of experience required for the position. Our requirements ensure the facility and its residents consistently receive the higher caliber services they deserve.

5. Section A, Project Details, Item 6A. Legal Interest, Page 7

The lease dated as of January 3, 2018 for a 66 bed nursing facility is noted. However, please clarify if the lease is a turnkey lease.

The lease will be a turnkey lease and will include the land and the building.

What party is responsible for the construction of the proposed 66 bed nursing home and where is that documented?

The building will be constructed by Gibson County Real Estate Investors, LLC. This is documented by the fact that one of the funding letters is directed to Gibson County Real Estate Investors, LLC for construction funds, and by the fact the lease is from Gibson County Real Estate Investors, LLC as landlord to Christian Care Center of Medina as Tenant.

6. Section B, Need, Item A (Specific Criteria –Construction, Renovation, Expansion, and Replacement) 2.a. Page 15

Please describe the condition of the current physical plant.

The physical plant is outdated and terribly inadequate to provide high quality care in a comfortable and pleasing environment. It is the applicant's understanding the facility was originally constructed in 1949 and converted to a nursing home in 1963. It has undergone no major renovations since then. The inadequacies include, but are not limited to, the following:

- The hallways are not 8' wide (fire safety)
- Most of the rooms are semi-private rooms consisting of only 187 sq. ft.
- The resident's rooms do not have sinks inside the space
- The resident's rooms do not have restrooms inside the space.
- The Interior walls are painted block walls
- There is not enough shower units per the population needs
- Fire sprinkler piping is hanging below the ceiling
- Some Asbestos flooring is in the facility.

7. Section B, Need, Item A (Specific Criteria –Construction, Renovation, Expansion, and Replacement) 2.b. Page 16

Please discuss the square footage in the current private and semi-private rooms and how it compares to the square footage of the proposed private and semi-private rooms.

Current Milan facility: 6 private rooms @ 110 SF and 30 Semi-Private rooms @ 187 SF.

New Medina Facility: 40 private rooms @ 234 SF and 13 Semi-Private rooms @ 324 SF.

Please provide projected population projections (2 y. or 4 yr.) for the cities of Milan, Trenton, Dyer, Medina, and Humboldt.

This is not publicly available to the applicant's knowledge. The Census Bureau/American Community Survey (ACS) population projections for these cities do not go beyond 2016.

The 2017 population of Medina (4,822) reflected in the application is from a state-certified special census conducted by the City of Medina.

What are the reasons for Medina's growth?

In the applicant's estimation, the following factors contribute significantly to the strong growth of Medina: Efficient arterial highways providing convenient commutes in multiple directions, an attractive school system, and vibrant new development that synergistically brings even more new development.

8. Section B, Need, Item E.

Your response is noted. Please complete the following tables:

Gibson County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC*
Bailey Park Community Living Center	50	0	50	0	0	11.6	0.8	0	24.6	37
Douglas Nursing Home	72	0	72	0	0	3.5	1.8	0	48.6	53.9
Dyer Nursing and Rehabilitation Center	120	0	120	0	0	11.1	0	0	87.1	98.2
Humboldt Healthcare and Rehab Center	89	0	89	0	0	14.3	0	0	34.2	48.5
Humboldt Nursing and Rehabilitation Center	120	0	120	0	0	7.2	0	0	55.2	62.4
NHC HealthCare, Milan	117	0	65	52	0	25.4	19.7	1.3	49.4	95.9
Trenton Center	62	0	62	0	0	8.1	0.9	0	33.1	42.2
W.D. Bill Manning Tennessee State Veterans' Home	140	0	140	0	0	13.2	0	36.6	82.4	132.3
Total	770	0	718	52	0	94.4	23.2	37.9	414.6	570.4

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

**Total ADC is calculated from JARs as total patient days / 365. These totals may be slightly different from the sum of ADCs by category due to rounding.*

9. Section B, Need, Item F.

Your response to this item is noted. Please complete the following charts:

Projected Utilization

Year	Licensed Beds	*Medicare-certified beds	SNF Medicare ADC	Level 2 Medicaid ADC	SNF All other Payors ADC	Non-Skilled ADC	Total ADC	Licensed Occupancy %
1	66	66	11	2	1	21	35	53%
2	66	66	13	4	2	42	61	93%

** Includes dually-certified beds. There are no Medicare only beds.*

10. Section B. Economic Feasibility Item H. Staffing, Page 37

Please complete the following chart reflecting the proposed number of direct care hours including nursing care hours per patient per day in Year One.

Direct Care Hours	Nursing Hours	Total Hours
1.42	5.02	6.44

11. Section B. Quality Measures

Please discuss the applicant's commitment to the proposal in meeting appropriate quality standards by addressing each of the following factors:

- (a) Whether the applicant commits to maintaining an actual payor mix that is comparable to the payor mix projected in its CON application, particularly as it relates to Medicare, TennCare/Medicaid, Charity Care, and the Medically Indigent;

The projected payor mix is based on CCMC's experience in managing SNFs in similar circumstances. Any such projection is subject to fluctuations based on a number of factors. CCC of Medina is committed to participating in Medicare and TennCare, and anticipates maintaining roughly the payor mix projected in the application.

- (b) Whether the applicant commits to maintaining staffing comparable to the staffing chart presented in its CON application;**

The projected staffing is based on CCMC's experience in managing SNFs in similar circumstances. Facilities are staffed up as needed to meet patient census numbers. Accordingly, less staffing is projected in the start-up year than in subsequent years. CCC of Medina is committed to staffing at a level that meets or exceeds all licensure and accreditation standards.

- (c) Whether the applicant will obtain and maintain all applicable state licenses in good standing;**

All CCMC affiliated SNFs are duly licensed, and are Joint Commission accredited or are awaiting final accreditation approval. CCC of Medina will maintain its license in good standing and will meet or exceed all accreditation standards.

- (d) Whether the applicant will obtain and maintain TennCare and Medicare certification(s), if participation in such programs was indicated in the application;**

CCC of Medina will obtain Medicare and TennCare certification upon beginning operations, pursuant to the certification processes of those programs.

- (e) Whether an existing healthcare institution applying for a CON has maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action shall be considered;**

The most recent survey and Statement of Deficiencies were directed to the previous owner of Milan HCC, and not the applicant. After the CHOW to CCC of Medina, LLC (f/k/a CCC of Milan) the applicant cooperated with the Department Health and submitted a Plan of Correction, essentially on behalf of the previous owner, which was approved by the Department.

A copy of a letter from the Department of Health approving the applicant's Plan of Correction and deeming the facility is compliance is attached as Attachment B, Orderly Development, 4, B to the application.

- (f) Whether an existing health care institution applying for a CON has been decertified within the prior three years. This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility;**

The applicant is a new, unrelated owner of the facility. To its knowledge the facility was not de-certified under the prior ownership. Pursuant to CMS policy, CCC of Medina, LLC voluntarily surrendered the old Medicare number upon the voluntary suspension of operations, and will apply for a new Medicare number at the appropriate time.

- (g) Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external peer assessment processes used by health care organizations to accurately assess their level of performance in relation to established standards and to implement ways to continuously improve.

CCC of Medina will have and utilize a comprehensive Quality Assurance Performance Improvement (QAPI) program for self-assessment and quality improvement. CCC of Medina will be accredited by the Joint Commission in order to further promote and assure quality performance and improvement.

A copy of the Table of Contents of its QAPI Manual is attached as Attachment Section A, B, (3) to the application.

- (h) Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external peer assessment processes used by health care organizations to accurately assess their level of performance in relation to established standards and to implement ways to continuously improve.

Please see the immediately preceding response.

This may include accreditation by any organization approved by Centers for Medicare and Medicaid Services (CMS) and other nationally recognized programs. The Joint Commission or its successor, for example, would be acceptable if applicable. Other acceptable accrediting organizations may include, but are not limited to, the following:

CCC of Medina will be accredited by the Joint Commission.

For Nursing Home projects, whether the applicant has documented its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program. As an alternative to the provision of third party accreditation information, applicants may provide

information on any other state, federal, or national quality improvement initiatives.

A copy of the Table of Contents CCC of Medina's QAPI Manual is attached as Attachment Section A, B, (3) to the application.

CCC of Medina will be accredited by the Joint Commission in order to further promote and assure quality performance and improvement.

FEB 26 13 PM 2:00

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Washington

NAME OF FACILITY: Christian Care Center of Medina

I, Anita West, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Anita West, Secretary, CFO
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 22nd day of February, 2018, witness my hand at office in the County of Washington, State of Tennessee.

Denise D. Ethel
NOTARY PUBLIC

My commission expires October 29, 2019.

HF-0043

Revised 7/02



Steve Bock

From: Phillip M. Earhart
Sent: Tuesday, February 27, 2018 9:58
To: Mark Farber; Steve Bock
Subject: FW: Christian Care Center of Medina, CN1802-006
Attachments: 2568_001.pdf

From: Phillip M. Earhart
Sent: Tuesday, February 27, 2018 9:58 AM
To: jtaylor@burr.com
Subject: re: Christian Care Center of Medina, CN1802-006

Jerry

Thanks for the supplemental response for Christian Care Center of Medina. Please remove W.D. Bill Manning Tennessee State Veteran's Home from the attached chart and submit a revised 2016 Gibson County Nursing Home utilization chart. Once it is submitted in triplicate, the application will be complete. Thanks.

From: noreply@tn.gov [<mailto:noreply@tn.gov>]
Sent: Tuesday, February 27, 2018 9:47 AM
To: Phillip M. Earhart
Subject: Attached Image

Please provide projected population projections (2 y. or 4 yr.) for the cities of Milan, Trenton, Dyer, Medina, and Humboldt.

This is not publicly available to the applicant's knowledge. The Census Bureau/American Community Survey (ACS) population projections for these cities do not go beyond 2016.

The 2017 population of Medina (4,822) reflected in the application is from a state-certified special census conducted by the City of Medina.

What are the reasons for Medina's growth?

In the applicant's estimation, the following factors contribute significantly to the strong growth of Medina: Efficient arterial highways providing convenient commutes in multiple directions, an attractive school system, and vibrant new development that synergistically brings even more new development.

8. Section B, Need, Item E.

Your response is noted. Please complete the following tables:

Gibson County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC*
Bailey Park Community Living Center	50	0	50	0	0	11.6	0.8	0	24.6	37
Douglas Nursing Home	72	0	72	0	0	3.5	1.8	0	48.6	53.9
Dyer Nursing and Rehabilitation Center	120	0	120	0	0	11.1	0	0	87.1	98.2
Humboldt Healthcare and Rehab Center	89	0	89	0	0	14.3	0	0	34.2	48.5
Humboldt Nursing and Rehabilitation Center	120	0	120	0	0	7.2	0	0	55.2	62.4
NHC HealthCare, Milan	117	0	65	52	0	25.4	19.7	1.3	49.4	95.9
Trenton Center	62	0	62	0	0	8.1	0.9	0	33.1	42.2
W.D. Bill Manning Tennessee State Veterans' Home	140	0	140	0	0	13.2	0	36.6	82.4	132.3
Total	770	0	718	52	0	94.4	23.2	37.9	414.6	570.4

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

Additional information (Original)

Christian Care Center
Of Medina

CN1802-006

Jerry W. Taylor
jtaylor@burr.com
Direct Dial: (615) 724-3247

**Additional
Information**

February 27, 2018

3:16 P.M.

222 Second Avenue South
Suite 2000
Nashville, TN 37201

Office (615) 724-3200

Fax (615) 724-3290

Toll-free (866) 489-8542

BURR.COM

February 27, 2018

Phillip Earhart
HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, Ninth Floor
502 Deaderick Street
Nashville, TN 37243

Re: Christian Care Center of Medina
CN1802-006

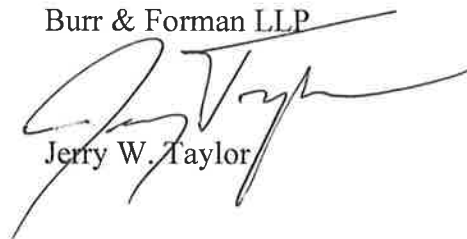
Dear Phillip,

As you requested, submitted herewith is a Replacement Page 8 of the first supplemental responses, which removes W. D. "Bill" Manning Tennessee State Veterans' Home and its utilization data from the table entitled "Gibson County Nursing Home Utilization-2016."

Also submitted is an affidavit. Please let me know if you have additional questions or if additional information is needed. Thank you.

Very truly yours,

Burr & Forman LLP



Jerry W. Taylor

February 27, 2018

3:16 P.M.

Please provide projected population projections (2 y. or 4 yr.) for the cities of Milan, Trenton, Dyer, Medina, and Humboldt.

This is not publicly available to the applicant's knowledge. The Census Bureau/American Community Survey (ACS) population projections for these cities do not go beyond 2016.

The 2017 population of Medina (4,822) reflected in the application is from a state-certified special census conducted by the City of Medina.

What are the reasons for Medina's growth?

In the applicant's estimation, the following factors contribute significantly to the strong growth of Medina: Efficient arterial highways providing convenient commutes in multiple directions, an attractive school system, and vibrant new development that synergistically brings even more new development.

8. Section B, Need, Item E.

Your response is noted. Please complete the following tables:

Gibson County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC*
Bailey Park Community Living Center	50	0	50	0	0	11.6	0.8	0	24.6	37
Douglas Nursing Home	72	0	72	0	0	3.5	1.8	0	48.6	53.9
Dyer Nursing and Rehabilitation Center	120	0	120	0	0	11.1	0	0	87.1	98.2
Humboldt Healthcare and Rehab Center	89	0	89	0	0	14.3	0	0	34.2	48.5
Humboldt Nursing and Rehabilitation Center	120	0	120	0	0	7.2	0	0	55.2	62.4
NHC HealthCare, Milan	117	0	65	52	0	25.4	19.7	1.3	49.4	95.9
Trenton Center	62	0	62	0	0	8.1	0.9	0	33.1	42.2
Total	630	0	578	52	0	81.2	23.2	1.3	332.2	528.2

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

FEB 27 '18 PM 3:16

Additional
Information

AFFIDAVIT

February 27, 2018

3:16 P.M.

STATE OF TENNESSEE


COUNTY OF DAVIDSON

NAME OF FACILITY: Christian Care Center of Medina

I, Jerry W. Taylor, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.


Signature/Title Attorney

Sworn to and subscribed before me, a Notary Public, this the 27th day of February, 2018, witness my hand at office in the County of Davidson, State of Tennessee.


NOTARY PUBLIC

My commission expires 3-8, 2021.



HF-0043

Revised 7/02

Additional information (Original)

Christian Care Center of
Medina

CN1802-006

Please provide projected population projections (2 y. or 4 yr.) for the cities of Milan, Trenton, Dyer, Medina, and Humboldt.

This is not publicly available to the applicant's knowledge. The Census Bureau/American Community Survey (ACS) population projections for these cities do not go beyond 2016.

The 2017 population of Medina (4,822) reflected in the application is from a state-certified special census conducted by the City of Medina.

What are the reasons for Medina's growth?

In the applicant's estimation, the following factors contribute significantly to the strong growth of Medina: Efficient arterial highways providing convenient commutes in multiple directions, an attractive school system, and vibrant new development that synergistically brings even more new development.

8. Section B, Need, Item E.

Your response is noted. Please complete the following tables:

Gibson County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC*
Bailey Park Community Living Center	50	0	50	0	0	11.6	0.8	0	24.6	37
Douglas Nursing Home	72	0	72	0	0	3.5	1.8	0	48.6	53.9
Dyer Nursing and Rehabilitation Center	120	0	120	0	0	11.1	0	0	87.1	98.2
Humboldt Healthcare and Rehab Center	89	0	89	0	0	14.3	0	0	34.2	48.5
Humboldt Nursing and Rehabilitation Center	120	0	120	0	0	7.2	0	0	55.2	62.4
NHC HealthCare, Milan	117	0	65	52	0	25.4	19.7	1.3	49.4	95.8
Trenton Center	62	0	62	0	0	8.1	0.9	0	33.1	42.1
Total	630	0	578	52	0	81.2	23.2	1.3	332.2	437.9

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

002094258

Additional Information
Supplemental #1

February 28, 2018

2:58 P.M.

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Christian Care Center of Medina

I, Jerry W. Taylor, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.


Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 28th day of February, 2018, witness my hand at office in the County of Davidson, State of Tennessee.


NOTARY PUBLIC

My commission expires 3-8, 2021.



HF-0043

Revised 7/02